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CONFIDENTIAL.

(8223.)

PART LX.

FURTHER CORRESPONDENCE

RESPECTING THE

A F F A I R S O F E G Y P T.

1902.

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ERRATA.

Page 20, No. 23, line 2. For "15th ultimo" read "15th instant."
 Page 27, No. 26, line 5. For "would not receive" read "would not be received."
 Page 144, No. 83, line 1. For "28th instant" read "28th ultimo."

CONFIDENTIAL.

Further Correspondence respecting the Affairs of Egypt.

PART LX.

No. 1.

Admiralty to Foreign Office.—(Received January 1, 1902.)

(Confidential.)

Sir,

Admiralty, December 31, 1901.

WITH reference to the Confidential Memorandum of the 19th December, 1901, transmitting a copy telegram from Lord Cromer relative to the proposed connection of Port Said with the Egyptian Railway system, I am commanded by the Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for Foreign Affairs, that until the site of the proposed terminus station at Port Said is settled it is difficult for my Lords to decide definitely in detail the points that may require to be considered.

2. I am, however, to inclose a plan which shows the position of land belonging to the Admiralty, and Navy House and Navy Cottage, also Admiralty property, all facing the Canal.

3. On the assumption that it may be intended to make some means of communication from the railway terminus to the canal front, the particular point to be borne in mind, so far as Admiralty interests are concerned, is that such communication should not be made along a route which would in any way affect the full and complete use for all naval purposes of the existing wharf frontage of any of the Admiralty property.

4. A copy of this letter has been sent to the Commander-in-chief, Mediterranean, with instructions to direct the Senior Naval Officer, Port Said, to indicate to Lord Cromer any other special points it may be desirable to consider.

I am, &c.

(Signed) H. J. VAN SITTART NEALE.

No. 2.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 3.)

(No. 2.)

(Telegraphic.) P.

Cairo, January 3, 1902.

SOME serious strikes have occurred in Cairo lately, one amongst the cigarette-rollers being of a specially grave character. I cannot well explain the somewhat lengthy details to your Lordship by telegraph, but I may state generally that street tumults have taken place, and that, unless great prudence is exercised, we shall be confronted with a very awkward question in the form of a contest between European—especially Greek—workmen on the one hand, as opposed to native workmen on the other hand.

The Greek Consul-General—whose position in this matter has been one of much difficulty—consented, at the urgent request of the local authorities, to exile some

eight Greeks, who had been especially turbulent. Four of these have been arrested, and have either been already sent out of the country or are about to be so.

I now learn from M. Gryparis that, in consequence of a telegram which he has received from Athens, he is unable to proceed against the remainder.

I venture to beg your Lordship to impress upon the Greek Government the imperative necessity of affording support to their Agent in this matter. The Greek Minister for Foreign Affairs should, in my opinion, be informed that, conjointly with the Egyptian authorities, we are responsible for the maintenance of public order in Egypt, and that, in the event of our not receiving the assistance of the Greek Government, we shall be obliged to adopt whatever measures may become necessary without their co-operation.

(Confidential.)

I beg that very plain language may be used in representing this matter at Athens. The line of action taken by the Greek Government in not supporting their Representative is most ill-advised, and will very probably be the cause of serious trouble here.

I have repeated this telegram to His Majesty's Minister at Athens.

No. 3.

Foreign Office to War Office.

(Confidential.)

Foreign Office, January 3, 1902.

Sir,

I HAVE laid before the Marquess of Lansdowne your letter of the 9th ultimo, inquiring whether his Lordship considers that there are any special reasons why the Egyptian Government should not be asked to make a larger contribution towards the cost of the Army of Occupation than the 87,000*l.* which has been paid annually in recent years.

Lord Lansdowne has consulted His Majesty's Agent and Consul-General at Cairo on this subject, and has pointed out to him that, owing to the large expenditure which has been necessitated by the South African war, it was desirable to consider whether some contribution more commensurate with the expense incurred might not reasonably be requested from the Egyptian Government.

I am to transmit, for the confidential information of Mr. Secretary Brodriek, a copy of the reply which has been received from Lord Cromer,* together with a copy of the letter from the Treasury,† referred to in the last paragraph of his despatch.

In view of the strong opinion expressed by Lord Cromer as to the danger of making any further demand on the Egyptian Government at the present juncture, Lord Lansdowne is unable to recommend that any change shall be made in the existing arrangements.

I am, &c.

(Signed) T. H. SANDERSON.

No. 4.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 4.)

(No. 3.)

Cairo, January 4, 1902.

(Telegraphic.) P.

WOULD it be possible to press the Spanish Government again for a reply on the question of the appointment of a Greek Judge on the Egyptian Mixed Courts, respecting which I addressed your Lordship in my despatch No. 149 of the 12th November, 1901? The settlement of this matter would strengthen the position of the Greek Agent here with his Government, and at the present juncture I should be glad if this result could be brought about.

* See Part LIX, No. 59.

† Treasury, December 20, 1898.

No. 2 A.

Sir E. Egerton to the Marquess of Lansdowne.—(Received January 3.)

(No. 1.)

Athens, January 3, 1902.

(Telegraphic.) P.

WITH reference to Lord Cromer's telegram to your Lordship No. 2 of the 3rd instant, I have made a strong representation to Foreign Minister, who will, I trust, modify the instructions sent to the Greek Consul-General at Cairo. M. Zairius, however, could not tell me offhand what the precise nature of these fresh instructions would be until he had read reports which he had just received from M. Gryparis.

No. 2 B.

Sir E. Egerton to the Marquess of Lansdowne.—(Received January 3.)

(No. 2.)

Athens, January 3, 1902.

(Telegraphic.) P.

WITH reference to my previous telegram of this day's date, I am informed by the Minister for Foreign Affairs that, in the desire to meet the wishes of His Majesty's Government, he has authorized Hellenic Consul-General at Cairo by telegraph to assent to the Greek subjects, whose presence there is considered to be a source of danger to public order, being expelled from Egypt.

No. 5.

The Marquess of Lansdowne to Sir E. Egerton.

(No. 1.)

(Telegraphic.) P.

Foreign Office, January 4, 1902.

WITH reference to Lord Cromer's telegram No. 2 of the 3rd January and your telegrams Nos. 1 and 2 of the same date: I approve your action as reported in your telegram No. 1.

You should earnestly impress on the Greek Government the importance of their co-operating with the Egyptian Government and Lord Cromer to prevent any risk of disturbances of a serious nature between the Europeans and natives, for the interests of all concerned. The consequences of such disturbances might be very serious.

It is possible that we may be obliged to resort to measures of a vigorous nature; in the event of which we should much prefer that they should be taken with the Greek Government's support and concurrence.

No. 6.

The Marquess of Lansdowne to Sir M. Durand.

(No. 1.)

(Telegraphic.) P.

Foreign Office, January 5, 1902.

REFERRING to my despatch No. 90 of the 27th November of last year, I have to inform you that Lord Cromer has asked that representations may again be made to the Spanish Government urging them to consent to the appointment of a Judge on the Mixed Court of Appeal by the Greek Government.

There is great need for the co-operation of the Greek Government in taking steps for the repression of agitation among Greek subjects in Egypt for strikes, which may lead to serious trouble between Europeans and native inhabitants if not checked.

In the general interest it is important that this Concession should, without further delay, be made to Greece. You should make a confidential representation in this sense to the Spanish Government.

No. 7.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 6, 1902.)

(No. 165.)

My Lord,

Cairo, December 26, 1901.

I HAVE the honour to inclose herewith—

(1) A Khedivial Decree fixing the revenue and expenditure of the Egyptian Administration for 1902;

(2) A note from the Finance Committee to the Council of Ministers, submitting the estimates for 1902;

(3) A note by Mr. Gorst explaining and commenting upon these estimates.*

I propose to reserve my observations on the various aspects of the Budget for my annual Report; your Lordship will, however, observe that the total revenue is estimated at £ E. 11,060,000, and the total expenditure at £ E. 10,850,000, leaving a surplus of £ E. 210,000 at the disposal of the Government, which surplus is added to the Special Reserve Fund.

The estimated revenue of £ E. 11,060,000 is composed of £ E. 10,844,000, representing the actual receipts, and of £ E. 216,000 granted from the General Reserve Fund under an arrangement arrived at some years ago with the Caisse de la Dette.

The estimated expenditure (£ E. 10,850,000) is composed of £ E. 9,900,000, representing the actual expenditure of the Government, including the interest on the Debt; of £ E. 66,000, paid to the Sinking Fund of the Guaranteed Loan; of £ E. 265,000 paid to the Conversion Economies Fund; and of £ E. 619,000, which is the share of the General Reserve Fund in the surplus of revenue over expenditure.

From the figures given above your Lordship will perceive that the real revenue is

* Not printed.

£ E. 10,844,000, and the real expenditure £ E. 9,900,000, the balance of £ E. 944,000 being divided, as stated, between the Sinking Fund of the Guaranteed Loan, the Conversion Economies Fund, the General Reserve Fund in the hands of the Caisse de la Dette—who, however, actually receive £ E. 403,000, that is to say, their share of the surplus £ E. 619,000, less the grant of £ E. 216,000—and the Special Reserve Fund which is paid into the Egyptian Treasury.

I have, &c.
(Signed) CROMER.

No. 8.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 8.)

(No. 4.)

(Telegraphic.) P.

Cairo, January 8, 1902.

IN continuation of my telegram No. 90 of the 19th ultimo, I have now the honour to inform your Lordship that an agreement has been arrived at between the Egyptian Government and the Suez Canal Company as regards the Port Said Railway and the works connected with the improvement of the harbour. The latter, however, cannot be executed unless the Admiralty will consent to sell a piece of land belonging to them, and which they at present lease. I shall have the honour to forward to your Lordship by next mail certain proposals on this subject, which, I venture to ask, may be submitted to the Admiralty.

No. 9.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 13.)

(No. 1. Secret.)

Cairo, January 2, 1902.

My Lord,

I HAD hoped that, under the Arrangement made in 1900, the question of the conditions under which British officers were to serve in the Egyptian army had been finally and satisfactorily settled. I regret, however, to say that such is not the case.

I need not enter into the whole of the details connected with this subject. These, I understand, have been fully explained by the Sirdar in direct communication with the authorities of the War Office. I inclose, however, as illustrations of the way in which the present system works, two Memoranda dealing with the cases of Lieutenant-Colonel Ravenscroft and Lieutenant-Colonel Peake. If the decisions recently given by the War Office are to hold good, both of these very valuable officers will certainly leave the Egyptian army, and others will shortly follow their example.

The question involved is one of much difficulty and of great importance.

On the other hand, it is obviously impossible for the authorities of the British War Office to agree to any proposals which clash seriously with the general organization of the British army.

On the other hand, it is my duty to submit to your Lordship that, unless a solution of this problem can be found which will meet the special circumstances existing in Egypt and in the Soudan, a situation will be created which, I have no hesitation in saying, will be fraught with danger.

I beg His Majesty's Government most earnestly to bear in mind the main facts with which we have to deal. Of recent years, matters have, at all events on the surface, gone so prosperous in this country that many are apt to forget how very artificial is the system which has been built up since the British occupation commenced. Speaking more especially of the Soudan, we are endeavouring to govern an enormous tract of country with the aid of a mere handful of British troops. We have mainly to rely on an army composed of Mahomedans and officered by Christians. The Egyptian army has already mutinied once; I doubt whether it is sufficiently appreciated in England how very narrowly we escaped another serious mutiny at a very critical moment some two years ago. One of the causes which nearly produced this latter mutiny was unquestionably the removal of a number of experienced officers from the Egyptian army, for service in South Africa. Further, it is to be borne in mind that service in the Soudan is unpopular

amongst the Egyptian officers and men; that the numerous Pan-Islamic newspapers which are published in Cairo are ever willing to foster and encourage any discontent which may exist; and that the army is greatly under the influence of the Khedive, whose friendship can be as little relied upon as his judgment.

Moreover, it is not merely in respect to army discipline that the situation of the Soudan presents some special features, which bear on the question now under discussion. Although efforts are being made to create a Civil Service in the Soudan, the principal agents for carrying on the administration of the country must, for some years to come, be military officers. If we are to keep the somewhat turbulent population of the Soudan quiet with the help of only a single battalion of thoroughly trustworthy troops, and if we are to encounter the difficulties which will certainly tend to increase as Europeans, intent on commercial gain, begin to flock to the country; as well as those arising from the presence of missionaries, to whose demands we shall not improbably, sooner or later, have to yield, it is in my opinion essential that we should, by reasonably good government, allay any general discontent amongst the masses of the people. Now, every day the conclusion is forced on me that the popularity of our rule depends, more than on anything else, on the presence in each district of one or two qualified British officers. Where the Egyptian officials are left to themselves, complaints are rife. Almost the same may be said where the British officers, through ignorance of the language or want of knowledge of the country, fall, often unconsciously but almost always inevitably, into the hands of their Egyptian subordinates. On the other hand, where the British officials are experienced and possess some adequate knowledge of the language, everything goes well.

I can assure your Lordship that we are conducting a hazardous experiment in the Soudan. I doubt whether any other nation in Europe could or would, under the prescribed conditions, even attempt such a task. Moreover, it is to be borne in mind that in matters of this sort a great deal can be done with money. One of the prescribed conditions, however, is that, beyond a small sum paid for the single battalion stationed at Khartoum, no charge is to be thrown on the British Treasury.

I most fully recognize the desirability, more especially at the present moment, of making no demands on the Treasury, and I have, under circumstances of no slight difficulty, prevented any such demands being made. But I do most earnestly beg that the responsibilities of the Sirdar and myself, which are already sufficiently onerous, shall not be increased by withholding from us the one form of assistance which I cannot but think the home authorities can afford,—I will not say without inconvenience, but, at all events, with an amount of dislocation of existing arrangements which appears trifling as compared to the risks to be encountered by insufficient recognition of the special situation with which we have to deal in Egypt and in the Soudan. I trust that I shall be excused for speaking strongly on this subject.

I feel strongly about it, and I feel, moreover, that I should be failing in my duty if I did not lay my opinions very frankly before His Majesty's Government; and my deliberate opinion is that we shall be incurring a serious risk unless we can devise some plan which will not only permit, but will even encourage officers, who have once gained experience in the Soudan, to remain there.

Is it not possible to devise such a system without seriously dislocating the existing Regulations of the British army? I cannot but hope that the difficulties are not insuperable. I am not sufficiently acquainted with the organization of the British army to be able to suggest a scheme in detail. Might it, however, not be possible to allow officers, after having served for seven years in the Egyptian army, to go on half-pay, and then, instead of being merely eligible for promotion as at present, to be promoted, whilst remaining on in the Egyptian army, after a definite number of years' service?

I merely throw this out as a plan which occurs to me. I do not doubt that more competent authorities would be able to devise some better plan.

I venture to commend this important matter to the earnest consideration of your Lordship and of the Secretary of State for War; and I venture further to express a hope that, pending a general settlement, measures may be taken to induce Lieutenant-Colonel Ravenscroft and Lieutenant-Colonel Peake to remain in the service of the Egyptian Government.

I have for long thought that the system now in force, which was inaugurated when the Egyptian army was first created, could not last. Indeed, it has only lasted so long owing to the very conciliatory spirit in which the War Office authorities have met the representations of the Sirdar, or his predecessors, and myself in special cases. But I think that the time has now arrived when the whole question should be seriously taken up, with

a view to devising some plan which will meet both the requirements of the British army, and the political and military situation with which we are confronted in Egypt and the Soudan.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 9.

Memorandum respecting Brevet-Major (local Lieutenant-Colonel) H. V. Ravenscroft's Case.

LIEUTENANT-COLONEL RAVENSCROFT has completed seven years with the Egyptian army.

He must either return to British service or go on half-pay (*vide* paragraph 2 of Memorandum of Conditions of Service of British Officers in the Egyptian Army).

He is willing to do the latter if he does not thereby prejudice his advancement—that is, if promoted to half-pay majority in a reasonable time.

The War Office only give a vague promise, saying that his promotion will be considered as soon as it might be advisable to do so without departing from the rules or principles governing the consideration of granting this rank to officers of British service serving elsewhere.

In short, Lieutenant-Colonel Ravenscroft has the alternative of—

1. Returning to British service and remaining on the Full-Pay List, with a practical certainty of promotion in two years.
2. Remaining in Egyptian army, going on Half-Pay List, with uncertain promotion.

It is, therefore, in his own interest to return to the British service, and that is not in accordance with the spirit or aim of the agreement.

Inclosure 2 in No. 9.

Memorandum respecting Lieutenant-Colonel Peake's Case.

MAJOR PEAKE completes seven years with the Egyptian army next year, and he must either return to the British service or go on half-pay (*vide* paragraph 2 of Memorandum of Conditions of Service of British Officers in the Egyptian Army).

He is willing to do the latter if promoted to Half-Pay Lieutenant-Colonelcy.

The Sirdar asked for this promotion under one of two Regulations, viz. :—

1. As having served seven years in the Egyptian army and having been two years a Major (Article 33, Royal Warrant).
2. Under paragraph 3 of the Memorandum, which says that certain appointments in the Egyptian army (one of which Major Peake holds) carry a Lieutenant-Colonelcy with them.

The War Office answer this by saying that his promotion will be considered as soon as it might be thought advisable to do so without departing from the rules or principles governing the consideration of granting this rank to officers of British service serving elsewhere.

This completely nullifies paragraph 3 of the Memorandum, and is contrary to the doctrine of special treatment for officers serving in the Egyptian army.

No. 10.

Sir M. Durand to the Marquess of Lansdowne.—(Received January 13.)

(No. 1.)

My Lord,

Madrid, January 8, 1902.

I HAVE the honour to report that on the receipt of your Lordship's telegram No. 1, of the 5th instant, I communicated, confidentially, to the Minister of State, the special reasons for which Lord Cromer was anxious that the Spanish Government should

no longer delay their consent to the appointment of a Greek Judge on the Mixed Court of Appeal at Alexandria.

I received to-day the reply of the Spanish Government, copy and translation of which I have the honour to inclose.

I have, &c.
(Signed) H. M. DURAND.

Inclosure in No. 10.

The Duke de Almodovar to Sir M. Durand.

(Translation.)

Your Excellency,

Ministry of State, Madrid, January 7, 1902.

THE long delay which has occurred in replying to your Excellency's notes of the 25th July and the 6th December last, relative to the adherence of Spain to Articles 3 and 5 of the Project of Reform of the Law of the Mixed Tribunals of Egypt, should not be ascribed to a sentiment of indifference on the part of the Government of His Catholic Majesty towards so important a question, nor to an unjustifiable desire to paralyse the normal working of said Judicial Administration, but purely to the difficulty of bringing into harmony, without previous consideration, the Project of Reform put forward by the Khedivial Government, and the interests which we consider as touching the Spanish nation.

Fully alive to her duties of friendship towards the other Powers which form part of the international concert, and whose individual interests are common to all, provided they do not adversely affect the interests of any one Power, and animated by a conciliatory spirit, which she has always demonstrated even at the cost of sacrifices, nevertheless, Spain does not consider it compatible with her dignity or her position in the political world, to assent to complete assimilation with the other nations who are to be represented by the Ninth Judge mentioned in the Egyptian Project of Reform.

The exceptional importance of the material interests which the Greek nation has at stake in Egypt, and the largely increased number of its sons established in that country, fully justify and indeed prove the propriety, and even the necessity, of appointing a special Magistrate for the better protection of the Greeks before the Mixed Tribunals. Nevertheless, this clear recognition of an indisputable fact, far from weakening, rather strengthens the conviction of the Government of His Catholic Majesty as regards the position which belongs to the Spanish nation in these Courts, whose very ground and reason, though in some cases it may depend on the preponderance of material interests, yet in others is based on the relative pre-eminence, which, as a matter of fact, is usually conferred by political importance, such as is admitted in favour of Spain in so many instances, and in so unequivocal a manner by the Powers which have the most influence in European affairs. It would not, therefore, appear to be an exaggerated pretension on the part of this nation to aspire to a consideration next to that unanimously accorded to the Powers of first rank.

The omission of such consideration in the Egyptian Project of Reform gave rise, on the part of the Government of His Catholic Majesty, to the firm resolution to refuse their consent to the proposed alterations, except in exchange for the representation of Spain by a special Judge on the Court of Second Instance (Court of Appeal) in such a manner as in their opinion befits the peculiar position of the country among the other nations.

Nevertheless, in consideration of the repeated requests of the British and Hellenic Governments, to whom they are united by sentiments of close and cordial friendship, and whose interests, far from wishing to injure, they are only too anxious to assist in so far as they may not be prejudicial to their own, as well as for the reasons of general policy previously set forth, the Spanish Government is willing to abandon this attitude, and, in spite of the initial omission, consents to give the desired adhesion without further delay. This adhesion, however, is to be absolutely dependent on the granting of satisfaction such as, in their opinion, is due to them. Such satisfaction might well take the form of an amendment to the Project of Reform in the sense that the nomination of the Ninth Judge of the Court of Second Instance should lie alternately with Spain on the one hand, and with the other nations interested in the election of the said Judge on the other, the alternation to commence as soon as a vacancy should occur in the appointment.

I have the honour to communicate to your Excellency this solution of the question, which appears to me just and reasonable, in the assurance that the Government so worthily represented by your Excellency at this Court, will support it with the

Khedivial and Hellenic Governments, as being the best, and, from the Spanish point of view the only possible, means of arriving at an agreement so sincerely desired by all the parties interested.

(Signed)

El Duque DE ALMODOVAR DEL RIO.

No. 11.

Foreign Office to War Office.

(Secret.)

Foreign Office, January 18, 1902.

Sir,
I AM directed by the Marquess of Lansdowne to transmit to you a copy of a despatch from His Majesty's Agent and Consul-General at Cairo,* in which he calls attention to the unsatisfactory arrangements at present existing in regard to the service of British officers in the Egyptian army.

Lord Cromer points out the importance of encouraging British officers who have gained experience in the Soudan to remain there, and makes some suggestions as to the manner in which this might be effected.

His Lordship is anxious that, pending the settlement of the general question, steps may be taken to induce Lieutenant-Colonel Ravenscroft and Lieutenant-Colonel Peake to remain in the Egyptian service.

Lord Lansdowne desires earnestly to recommend Lord Cromer's despatch to the favourable consideration of the Secretary of State for War.

I am, &c.

(Signed)

T. H. SANDERSON.

No. 12.

Sir E. Egerton to the Marquess of Lansdowne.—(Received January 20.)

(No. 7.)

Athens, January 7, 1902.

My Lord,

IN answer to your Lordship's telegrams Nos. 1 and 2 of the 4th and 6th instant, I have the honour to report that I have repeated to the Hellenic Minister for Foreign Affairs the importance attached by His Majesty's Government in the interests of order to the co-operation of their Agent with Lord Cromer and the Egyptian Government in the language used by your Lordship; and have also expressed your Lordship's appreciation of the ready response of M. Zaimis to my appeal and thanks for his telegram to M. Gryparis.

I understood from his Excellency when I spoke to him some days ago on the subject communicating the substance of Earl Cromer's telegram, that he was not aware of the extreme urgency of the case when he objected to the summary steps advocated by M. Gryparis.

I have, &c.

(Signed)

EDWIN H. EGERTON.

No. 13.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 20.)

(No. 2.)

Cairo, January 7, 1902.

My Lord,

I HAVE the honour to submit to your Lordship certain observations which are suggested by the recent strike amongst the cigarette-rollers, on which subject I telegraphed to your Lordship and to His Majesty's Minister at Athens a few days ago.

For some while past, the tension between the lower orders of Europeans and natives in this country—and especially in the large towns—has been steadily increasing.

Several causes have contributed to bring about this result.

* No. 9.

On the one hand, owing to the prevailing poverty in Italy and Greece; to the rumours—which are often exaggerated—of the prosperous condition of Egypt; and to the fact that, during the last few years, a considerable number of skilled European artisans have been employed at high wages on the Assouan and Assiout works, a large number of Greek and Italian workmen have flocked into Egypt.

On the other hand, the native feeling as regards Europeans and their privileges has been undergoing a gradual but very marked change during the last few years. The native of Egypt is no longer what he was when I first came to this country, some twenty-five years ago. He knows his rights and is inclined to assert them. He resents the privileges enjoyed by Europeans, especially that privilege which places all criminal jurisdiction over Europeans in the hands of the various Consuls. The native idea is that, if an Egyptian commits some criminal offence against an European, he is severely punished by the Egyptian Law Courts, whereas, in the contrary case, that is to say, when the native is the aggrieved party, the European is either acquitted or receives some wholly inadequate punishment from the Consular Courts. I do not say that the native opinion is justified; but there can be no doubt that cases have occurred which give some colour to a generalisation of this sort, hasty and erroneous as it is.

I select, amidst much evidence which I have received on this subject, a letter from Mr. Hooker, the General Manager of the Egyptian Salt and Soda Company (Inclosure 1). Mr. Hooker's long and intimate acquaintance with this country enables him to speak with authority on a matter of this nature.

Your Lordship may perhaps remember that, during my absence in England last summer, a native policeman was killed by an Italian at Alexandria, with the result that a panic seized the Levantine population, and for a while the town was in a very disturbed state.

Whether the strikes, which has recently occurred, tend to generate a bitter feeling between Europeans and natives depends a good deal on the circumstances of each case.

A short time ago, the workmen employed by the tailors in Cairo struck. The strike was to some extent due to the adoption by the masters of what is known in England as the "truck" system. After a short resistance, the masters yielded to all the demands of the men, with the result that rumours are now current that the bakers, butchers, and others are likely to organize a strike. In this particular instance, the interests of the European and native workman were to a great extent identical. Hence, nothing occurred to bring out any distinctly racial aspect of the question.

The strike of the cigarette-rollers, which followed shortly on that of the tailors, has, in some respects, been more serious.

The broad facts of this case are as follows:—

Almost all the large manufacturers of cigarettes are Greeks. About a year or so ago, a strike occurred amongst their workmen, who are principally Greeks and Syrian Christians. The result was that a Syndicate was formed amongst all the leading manufacturers, who agreed that they would all accord identical terms to their workmen. A small firm, Messrs. Soussa Brothers, did not join this Syndicate. At the time, their business was purely local and did not attract much attention. Messrs. Soussa employ mainly native workmen, who are less skilled than Europeans, but who work at much lower rates. Being, therefore, able to undersell the members of the Syndicate, they recently secured a very large order for the delivery of cigarettes in South Africa. This alarmed both the members of the Syndicate and their workmen. The result was that strong pressure was exerted by the Greek workmen to prevent the natives accepting Messrs. Soussa's terms. Some of these men, being, more often than not, terrorized by the Greeks, struck; others, under police guard, continued at work. Riots occurred in the streets. A very rigorous system of picketing was adopted by the Greeks against the native non-strikers. In this case, therefore, there was manifestly a serious risk that the racial aspect of the affair would be brought into strong prominence.

The Greek workmen addressed me, and I took the opportunity, in reply, of stating the advice which I should consider it my duty to tender to the Egyptian Government. I inclose a copy of my letter (Inclosure 2), the terms of which will, I trust, meet with your Lordship's approval.

I now come to the main point to which I venture to draw your Lordship's attention.

Certain Greeks were very active, both in causing the riots, which, as I have already mentioned, have recently occurred, and in encouraging the system of picketing. The methods adopted in the execution of this system were, to say the least, of very doubtful legality. The Egyptian Government asked for the expulsion of eight men. The Greek

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Consul-General consented. Four or five men have been expelled. The effect has been excellent. The strike still continues, but, for the time being at all events, there seems to be little or no risk of any disturbance of the peace. I have requested the police for the moment, not to arrest the remaining men, who were originally destined for expulsion. It may be that the measures already taken will prove sufficient.

From the telegraphic correspondence which has been exchanged, your Lordship is aware that the Greek Government failed to support M. Gryparis in the first instance, and only changed their attitude on the representations made by His Majesty's Minister at Athens. It is an open secret that the representatives of the strikers are in communication with Deputies and others at Athens, and that they will do their best to get M. Gryparis' action disapproved, even if they cannot secure his removal from his present post. I can only say that, if the Greek Government fail to support their Representative, they will incur a very heavy responsibility. The Greek population here is turbulent, and almost all the difficulties which occur in dealing with them arise from the fact that, even when the Diplomatic and Consular officials on the spot are individually strong enough to do what is their obvious duty, they never feel sure of support from their own Government, which, as experience has before now proved, is often culpably weak. The removal of M. Gryparis would be a sure signal for riotous conduct on the part of many Greeks, and, if this occurred, Egyptian, or possibly British intervention would become necessary, in spite of any technical rights which may accrue to Greek subjects under the Capitulations. The Greek Government should, therefore, I venture to think, be strongly urged to give their overt and cordial support to their official Representative.

I have sent a copy of this despatch to Sir Edwin Egerton.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 13.

Mr. A. Hooker to the Earl of Cromer.

My Lord,

WITH regard to the present feeling of natives towards Europeans, I know there is a good deal of talk just now.

If we boil it down, we find that the people who talk most about the bad feeling of the natives are Europeans.

The Alexandria row seems to have scared the Levantine much more than I had any idea of, and, as usual, he has made the most of his fears. On the other hand, there is a wide-spread feeling, which is, I think, a perfectly legitimate one, amongst the natives, that there is no even-handed justice between Europeans and natives.

The more prosperous and independent the well-to-do native becomes, the more he feels the injustice of the Capitulations, and natives of all classes talk, in a way which was unknown five years ago, of the inequality of the laws under which Europeans and natives live.

Many Englishmen, more especially those whose work is with natives, lose sight of this, and are oblivious of the fact that the law of the country does not apply to Europeans.

As prosperity and education advance, this feeling of inequality becomes more irksome, and sooner or later will have to be faced.

We, as the governing power, are not unnaturally looked upon as responsible for the maintenance of this state of things. We have created the Native Courts, and have brought home to the people the knowledge of what justice is. The good we have done in this respect is unquestionable, and far more generally recognized by the natives than is commonly thought.

Again, the Inspectors of the Ministry of the Interior are very highly respected by the fellaheen. They are a guarantee that the old oppression of the provincial officials is held in check.

If the English have done so much, why cannot they prevent misdeeds by the Europeans? Why, when a native is murdered by an Italian, is the latter handed over to his Consul—who may be a Copt—to be dealt with?

Out of this order of idea, a slumbering but very general feeling of resentment has sprung, is growing, and must necessarily grow. As regards Englishmen, I think the general feeling is good; I certainly have no cause to think it otherwise. My own men

have no complaints to make of their treatment in the provinces; on the contrary, they seem to be popular, and to be extremely well treated by all classes of natives.

The class of Englishman who is thoroughly detested is the handy man with the stick.

I have carefully gone into this matter and made inquiries, and have come to the conclusion that many Englishmen strike natives in consequence of their inability to understand them. The man who is ready with his fist or stick is usually a poor speaker of Arabic. Half the cases which have been brought to my notice have been due to this cause.

In my own Department, I have laid it down that any man striking a native is liable to instant dismissal. The natives know this, and I do not find that they take advantage of this knowledge. The Italians and Greeks are the greatest offenders in this respect. I will quote an instance which came under my personal observation.

I was at the station last Tuesday to meet a friend by the 8 o'clock train. The Upper Egypt train was about to leave, and a young Greek, on being asked for his ticket, cursed the ticket clerk at the gate, abused him, and finally threatened to kick him, and was about to do so. I watched the man for some time, and when he was about to put his threat into execution, I caught hold of him and told him to mind what he was doing. He became most abusive; I then sent for the Station-master and advised him to have him arrested and sent to the police-station. The Station-master said he could do nothing as the man was an European. I told him to report the matter to his chief, and gave him my card, telling him that I was prepared to give evidence if required.

Now, in this case, the railway official thought that he had no redress. There were two policemen on the spot at the time, but they considered themselves powerless to act, and did nothing. I heard the officials talking together after the man had left, and the abuse of Europeans in general was hot and strong, and pointed clearly to the native knowing the state of the law and resenting it.

Sooner or later, we shall have to deal with this question. It will not do to ignore it. In Alexandria, where the people are more turbulent, the matter may come to a head any day.

Yours sincerely,
(Signed) A. H. HOOKER.

Inclosure 2 in No. 13.

The Earl of Cromer to the Delegates of the Cigarette-Rollers' Corporation, Cairo.

Gentlemen,

Cairo, December 30, 1901.

I BEG to acknowledge the receipt of your letter of the 27th instant.

In this letter you draw my attention to certain grievances entertained by the workmen employed in the manufacture of cigarettes in Egypt, and especially by those in the employment of Messrs. Soussa Brothers.

I deeply regret that in this, as in some other important manufactures, differences of opinion have arisen, or possibly may arise, between the employers of labour in Egypt and their workmen. I venture to express a hope that these differences may be settled by friendly discussion between the parties principally concerned, without any resort to strikes or other measures which, whatever may be their final result, can scarcely fail to be either permanently or temporarily detrimental to the interests of the employers, of the workmen, and of the community in general.

Whilst fully recognizing the moderation with which you have expressed your views, I must decline to offer any opinion on the merits of the particular points in dispute.

It may be of some public utility if I take the opportunity afforded me by your letter to state the advice which, in this and other similar matters, I shall consider it my duty to tender to the Government of His Highness the Khedive.

In the first place, I consider that the Government should maintain a position of strict neutrality between the employers and the workmen, who, provided they conform to the laws of this country, should be left to settle their disputes amongst themselves.

In the second place, I consider that public order should, at whatever cost, be maintained, but that recourse should not be had to any extraordinary measures until the necessity for such measures is clearly shown. I cannot doubt that, in the execution of this policy, the Egyptian Government will receive the full support of the various Consular authorities in cases where any questions of extraterritorial rights are involved.

In the third place, I consider that the Government should do all in its power to prevent any illegal acts from being committed with a view to hindering the free liberty of action of any class of workman or of any individual workman.

Beyond paying attention to the points indicated above, I do not consider that, for the moment at all events, it is necessary or desirable for the Government to take any specific action.

I am, &c.
(Signed) CROMER.

No. 14.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 20.)

(No. 3.)

My Lord,

Cairo, January 8, 1902.

YOUR Lordship is without doubt aware that for some long while past negotiations have been going on between the Egyptian Government and the Suez Canal Company with a view—

1. To the construction of a broad-gauge line from Ismailia to Port Saïd; and
2. To the enlargement and improvement of the harbour of Port Saïd.

These negotiations are now so far advanced that it may be said that the Egyptian

Government and the Company are fully agreed on all essential points.

Before, however, any arrangement can be finally concluded, a point which concerns the Admiralty has to be settled.

The inclosed note and map,* which have been prepared by the authorities of the Company, show that the new works in contemplation for the improvement of the harbour cannot be executed unless possession is obtained of a piece of land belonging to the Admiralty.

The land is, I understand, now leased to a British firm. I do not know whether they have a long lease, but in any case, besides the purchase to be paid to the Admiralty, the occupiers would, of course, have to receive compensation before their rights can in any way be infringed. This the representatives of the Company fully recognize.

I believe I am correct in stating that this piece of land is of no great use to the Admiralty. On the other hand, it cannot be doubted that the works in contemplation will prove of the utmost benefit to Egypt, notably to the town of Port Saïd, and also to the ships, a large proportion of which are British, which transit the Canal. Under these circumstances, I have no hesitation in recommending the proposal now made to the favourable consideration of the Admiralty.

I may remark that the Company is also in negotiation with the Minister of Marine at Paris with a view to the purchase of some adjoining land which belongs to the French Government.

I should be glad to receive an early answer to this despatch, as both the Egyptian Government and the Canal Company are anxious to commence the railway and harbour works with as little delay as possible.

I have, &c.
(Signed) CROMER.

P.S.—Since writing the above I have received your Lordship's despatch No. 2 of the 3rd instant.†

From the Admiralty letter of the 31st December, I am led to infer that there may be some unwillingness to part with any portion of the existing wharf frontage. It would, I think, be a matter for great regret if the whole of the proposed plan for making a railway to Port Saïd and improving the harbour should fall to the ground, and this, I fear, will be the case unless some arrangement can be made as regards the special point now under discussion.

The reason is that the railway project depends on the execution of the port projects, and I am informed that the latter cannot be executed unless possession is obtained of the piece of land now belonging to the Admiralty.

I understand the Admiralty point of view, but if the proposal to sell outright is

* The map is not reproduced.

† Sending Admiralty letter of December 31, 1901.

neld to be objectionable, might it not be possible to negotiate an exchange with the Canal Company? Possibly there is some other piece of land which would suit the Admiralty purpose equally well, and would not hinder the execution of the scheme for improving the port.

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Inclosure in No. 14.

Memorandum.

PAR contrat en date du 10 Août, 1870, la Compagnie du Canal cédait au Gouvernement de Sa Majesté Britannique, au prix convenu de 660,000 fr., une surface de 16,500 Mq. (voir le plan ci-joint), comprise dans les limites de sa concession.

Cette acquisition devait, dans l'esprit des parties contractantes, ainsi que cela résulte des termes mêmes du contrat, permettre au Département de l'Amirauté de disposer de bâtiments où pussent fonctionner les services que comporte le stationnement dans les eaux de Port-Saïd des navires de Sa Majesté Britannique.

La Compagnie du Canal de Suez se réservait d'ailleurs, en aliénant ce terrain, l'exercice des droits qui sont pour elle la conséquence nécessaire des obligations de son acte de concession relatives aux conditions générales du transit: c'est ainsi que l'Article 2 du dit contrat stipulait que "les agents de la Compagnie Universelle du Canal maritime de Suez pourraient faire usage du quai faisant face au Canal pour assurer la libre navigation."

C'est dans ce même ordre d'idées que l'Amirauté consentait en 1879 à ce que la Compagnie entreprît, pour rendre plus large le chenal du Canal maritime, des dragages qui avaient faire disparaître une partie du terrain vendu en 1870 (l'Amirauté recevait d'ailleurs de la Compagnie, en échange, une surface faisant suite à sa propriété, égale en superficie à la portion disparue).

Le 17 Août, 1882, le Gouvernement de Sa Majesté Britannique acquérait de Son Altesse Royal le Prince Henri des Pays-Bas un nouveau terrain, sis au Grand Bassin Ismaïl (voir le plan), ainsi que les importantes constructions qui venaient d'y être édifiées et installait en cet endroit tous les services locaux de l'Amirauté.

Dès lors la précédente acquisition du Gouvernement de Sa Majesté Britannique ne présentait plus pour l'Amirauté l'utilité qui en avait motivé l'achat et, de fait, le terrain vendu par la Compagnie en 1870, modifié comme il a été dit plus haut en 1879, fut loué par l'Amirauté à un particulier, qui y installa une industrie privée et n'a cessé de l'occuper depuis cette époque.

En diverses circonstances la Compagnie du Canal a dû intervenir auprès des Lords de l'Amirauté pour réclamer l'usage des droits qu'elle s'était réservés lors de l'aliénation du 10 Août, 1870, en vue de s'assurer les moyens de régler, dans les meilleures conditions, la marche des navires de toutes nationalités dans toutes les parties du Canal maritime. Les solutions qui sont intervenues chaque fois que la Compagnie a fait appel au Gouvernement de Sa Majesté Britannique en ces sortes de cas, ont toujours montré que, soit comme contractant respectueux des conditions acceptées, soit comme représentant d'une grande puissance maritime intéressée au mouvement général des navires dans le Canal de Suez, ledit Gouvernement avait le désir de ne pas entraver l'exercice des obligations que la Compagnie a assumées vis-à-vis du commerce du monde.

C'est cette constatation, plusieurs fois répétée, qui donne à la Compagnie l'assurance que le projet ci-après développé sera examiné par le Gouvernement de Sa Majesté Britannique avec toute l'attention et tout l'intérêt qu'elle y apporte elle-même.

Les négociations entreprises récemment entre le Gouvernement Égyptien et la Compagnie du Canal relativement à l'établissement d'un chemin de fer à voie normale destiné à relier Port-Saïd au réseau Égyptien, sont sur le point d'aboutir; en prévision du développement commercial qui sera la conséquence naturelle de la création de cette voie ferrée, la Compagnie se préoccupe dès à présent de mettre le port de Port-Saïd en état de satisfaire à un mouvement important de marchandises sans, qu'en aucun cas, il puisse se résulter du trafic à venir, une diminution quelconque dans les conditions de sécurité et de rapidité du transit proprement dit.

Les études préliminaires dirigées dans cet ordre d'idées ont amené à constater qu'il conviendrait, tant pour la facilité des opérations commerciales que pour la bonne administration du port de transit, de réserver pour les navires qui auront à charger ou à décharger des marchandises à Port-Saïd et pour les chalands et mahonnes qui concourront au mouvement de ces marchandises, les bassins Chérifet Abbas: on peut dire que ces sections

du port actuel étaient, de par leur situation même, désignées par avance à la destination que la Compagnie désire leur assigner; ce sont, en effet, les parties du port qui se trouvent le plus rapprochées à la fois de la ville et de la voie ferrée projetée; elles sont, en outre, voisines des ateliers de la Compagnie du Canal, ce qui représente un grand avantage si l'on considère que l'énergie qui actionnera tout l'outillage du port de commerce devra être puisée à la source électrique que la Compagnie va précisément installer pour le fonctionnement de ses ateliers de Port-Saïd.

Il suffit d'ailleurs de jeter les yeux sur le plan du port pour reconnaître que si les bassins Chérif et Abbas n'étaient pas choisis pour constituer l'amorce du nouveau port de commerce il en résulterait une quasi impossibilité pour l'organisation projetée; il est, en effet, impossible à la Compagnie de ne pas assigner des emplacements spéciaux pour des opérations de nature à gêner le mouvement des transiteurs; d'autre part, on ne conçoit pas que les bassins commerciaux puissent être créés vers le sud, après l'Usine des Eaux, c'est-à-dire à une distance importante de la ville.

Il faut ajouter que la création de bassins au sud de l'Usine des Eaux amènerait des modifications importantes dans le tracé terminus du Canal Abbassieh et, par suite, dans le fonctionnement, actuellement si satisfaisant, de la distribution d'eau douce à Port-Saïd.

La Compagnie estime donc, au triple point de vue de l'intérêt primordial du transit, des facilités à ménager aux commerçants et du maintien de l'Usine des Eaux dans sa situation actuelle, que c'est au bassin Chérif et au bassin Abbas qu'il convient d'organiser le port de commerce; dans ce but elle est d'ores et déjà disposée à creuser en Asie un bassin destiné aux navires transporteurs de charbon qui sont actuellement, pour leurs opérations de déchargement, mouillés au bassin Abbas.

Le plan joint à la présente note indique les travaux d'aménagement qui seraient nécessaires pour mettre le bassin Abbas et le bassin Chérif en état de suffire aux premières conséquences du mouvement commercial du port de Port-Saïd, et l'on voit que ces travaux comportent de toute nécessité la mise en eau profonde ou l'utilisation pour les besoins du port des terrains qui forment presque entre le bassin Abbas et le bassin Chérif et qui comprennent précisément le lot acquis en 1870 par le Gouvernement de Sa Majesté Britannique.

Ces dispositions sont indispensables :—

1. Pour donner, au profit des transiteurs, une largeur plus grande au chenal dans cette partie du port qui sera plus fréquentée par suite du mouvement des navires venant faire des opérations commerciales dans le bassin Abbas;
2. Pour créer des postes de mouillage suffisant aux navires et mahonnes qui devront stationner dans le bassin Chérif.

La Compagnie est disposée à engager pour le bien du transit les dépenses importantes que nécessite l'exécution de ce projet. Il ne lui reste plus, avant de les entreprendre, qu'à obtenir de ceux qui possèdent des terrains sur des emplacements destinés à devenir des parties de bassins, la rétrocession de leurs propriétés; de ce côté elle est disposée à consentir les sacrifices pécuniaires que comportent de pareilles opérations; elle compte que le Gouvernement Égyptien lui prêterait assistance en appliquant aux particuliers propriétaires les Articles du Code Mixte qui régulent les expropriations pour cause d'utilité publique; en ce qui concerne spécialement la rétrocession du terrain appartenant à l'Amirauté, elle pense que le Gouvernement de Son Altesse le Khédive désirera prêter son appui à une négociation au succès de laquelle il est aussi intéressé que la Compagnie elle-même, en faisant valoir auprès du Représentant de Sa Majesté Britannique en Égypte toutes les considérations qui découlent du présent exposé et qui permettent, nous semble-t-il, de conclure que l'Amirauté Anglaise, disposant à Port-Saïd d'un vaste établissement qui répond entièrement à ses besoins, pourrait, sans préjudice, à des conditions de prix à fixer, se défaire d'un terrain qui ne lui est plus d'aucune utilité et dont le maintien aurait pour conséquence d'empêcher la réalisation d'un projet d'intérêt général ou de diminuer les conditions de sécurité du transit à travers le Canal de Suez.

No. 15.

Foreign Office to Admiralty.

(Confidential.)

Sir,

WITH reference to your letter of the 31st December, 1901, I am directed by the Marquess of Lansdowne to transmit to you a copy of a despatch from His Majesty's Agent and Consul-General at Cairo relative to the negotiations in progress between the Egyptian Government and the Suez Canal Company for the construction of a

Foreign Office, January 24, 1902.

broad-gauge railway from Ismailia to Port Saïd,* and the enlargement and improvement of the harbour of Port Saïd.

Lord Cromer states that the works in contemplation at the harbour cannot be carried out unless the Lords of the Admiralty will agree to some arrangement which will make it possible to utilize a piece of land belonging to them at Port Saïd, and that the railway project depends on the execution of the port project.

I am to request that their Lordships will inform Lord Lansdowne as soon as possible what reply they would wish to be sent to Lord Cromer in regard to the piece of land, as he asks for an early answer.

I am, &c.
(Signed) T. H. SANDERSON.

No. 16.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 19.)

My Lord,

Foreign Office, January 25, 1902.

I HAVE received your Lordship's despatch No. 2 of the 7th instant, relative to recent strikes at Cairo and to the disturbances which have been provoked in connection with them by the action of certain Greek subjects.

The reply which you sent to the letter addressed to you by the Delegates of the Cigarette-rollers' Corporation has my approval.

I have instructed His Majesty's Minister at Athens to communicate to the Greek Government such portions of your despatch as he may consider desirable, and to impress upon them the importance of their giving their full support to their Representative at Cairo, in dealing with the persons concerned in causing the disturbances.

I am, &c.
(Signed) LANSDOWNE.

No. 17.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 26.)

(No. 10.)

(Telegraphic.) P.

Cairo, January 26, 1902.

I VENTURE to ask your Lordship to suspend action on my despatch No. 7 of the 18th instant, dealing with the appointment of the ninth Judge on the Egyptian Mixed Appeal Court, until the receipt of a further despatch on the same subject, which I am forwarding to your Lordship by the mail which leaves to-morrow.

No. 18.

The Earl of Cromer to the Marquess of Lansdowne.—(Received January 27.)

(No. 7.)

My Lord,

Cairo, January 18, 1902.

SINCE my telegram to your Lordship No. 3 of the 14th instant and your Lordship's reply No. 7 of the 15th instant on the subject of the demands put forward by the Spanish Government with regard to the share of Spain in the election of the ninth Judge of the Mixed Court of Appeal at Alexandria, I have received from Boutros Pasha, the Egyptian Minister for Foreign Affairs, a letter, inclosing copy of a note from the Spanish Consul-General dated the 31st December, 1890, in which he formally accepts, on behalf of his Government, the position allotted to Spain in the election of the ninth Judge, as laid down in the project on this subject of 1890. Of this note I have the honour to inclose a copy.

As this project was accepted by Spain in return for the admission by the Egyptian Government of a second Spanish Judge in the Mixed Courts of First Instance, and as

* No. 14.

the modifications which have since been introduced at the desire of France, and which are embodied in the present project, do not at all affect the situation formally accepted by Spain in 1890, it appears to me that the Spanish Government have possibly overlooked the fact that this former project was accepted by their Consul-General.

In view of what I have stated above, and considering that it is most improbable that the other Powers interested would accept the proposal put forward by the Spanish Government that the ninth Judge should be elected alternately by Spain and by these other Powers, I venture to suggest to your Lordship that the Spanish Government may again be approached on this subject and reminded as delicately as possible of their previous acceptance of the situation to which they now take exception.

I have, &c.
(Signed) CROMER.

Inclosure in No. 18.

Señor de Ortega Morejou to Zoufkar Pasha.

*Consulat-Général d'Espagne, Caire,
le 31 Décembre, 1890.*

M. le Ministre,

J'AI l'honneur de vous informer que j'ai, en temps opportun, transmis à la connaissance de mon Gouvernement les négociations verbales qui ont eu lieu entre nous, et qui ont abouti à l'autorisation que vous m'avez donnée de déclarer au Ministre d'État de Sa Majesté Catholique, que le Gouvernement de Son Altesse le Khédive consentirait à ce que l'Espagne fût représentée par un second Juge dans les Tribunaux Mixtes de Première Instance; mais que le désir du Gouvernement Espagnol d'être aussi représenté directement par un Conseiller à la Cour d'Appel Mixte, ne pourrait se réaliser, le second paragraphe de l'Article 5 du projet de Décret annexé à votre Circulaire du 10 Mai, 1890, ayant déjà été accepté par le plus grand nombre des Puissances intéressées.

En conséquence, je m'empresse de vous faire savoir que le Gouvernement Espagnol adhère au Décret joint à la dite Circulaire, se rendant à mes observations et aux vôtres, m'autorisant à vous déclarer qu'en l'état il n'insiste plus sur son désir d'être représenté sans intermédiaire à la Cour d'Appel; pourvu toutefois que la nomination du deuxième Juge Espagnol devienne bientôt un fait accompli; et dans ce cas je suis chargé par mon Gouvernement d'exprimer d'avance à celui de Son Altesse tous ses sentiments de reconnaissance.

Veillez, &c.
(Signé) DE ORTEGA MOREJOU.

No. 19.

The Marquess of Lansdowne to Sir E. Egerton.

(No. 7.)
Sir,

I AM informed by His Majesty's Agent and Consul-General at Cairo, that he has communicated to you a copy of his despatch No. 2 of the 7th instant, relative to the disturbances which have recently been produced in that city by the action of certain Greek subjects.

I request that you will communicate to the Greek Government such portions of Lord Cromer's despatch as you may consider desirable, and that you will continue to impress upon them that in the general interest of the maintenance of order in Egypt, it is important that the Greek Representative at Cairo should receive full support in dealing with the persons concerned in causing the disturbances.

I am, &c.
(Signed) LANSDOWNE.

No. 20.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 3.)

(No. 8.)

My Lord,

Cairo, January 21, 1902.

SINCE writing my despatch No. 7 of the 18th instant on the subject of the demands of the Spanish Government with regard to the share of Spain in the election of the Ninth Judge of the Mixed Court of Appeal at Alexandria, I have had a conversation with the Spanish Consul-General, Don Ricardo de Larios, who showed me a despatch which he had received from his Government with reference to the question in point.

The tone of this despatch was most conciliatory, and it appeared to me probable that the Spanish Government would be contented with any Concession which would save their *amour-propre* by giving to Spain a position slightly different from that accorded to the smaller Powers.

I therefore mentioned to M. de Larios a proposal previously put forward by Boutros Pasha, the Egyptian Minister for Foreign Affairs (but which, it is true, he afterwards withdrew), that the wording of Article 3, paragraph 2 of the Project should be altered as follows:—

“Le neuvième appartiendra soit à l'Espagne, soit à la nationalité d'une des Puissances suivantes: Belgique, Danemark, Pays-Bas, &c.”

M. de Larios appeared to think that this proposal, which, as your Lordship will observe, is merely a change in the wording, and does not imply the concession of the alternative right of election demanded by Spain, might prove acceptable to his Government, as giving to Spain a position somewhat apart from the smaller Powers.

I would therefore suggest that His Majesty's Ambassador at Madrid should be instructed to sound the Spanish Government as to whether this alteration of the wording would prove acceptable to them; but I think that it should at the same time be fully explained to them that the alteration is merely a matter of form, introduced out of courtesy towards Spain, and that it must remain entirely in the hands of the Judges of the Mixed Court of Appeal to decide as to whether the Ninth Judge should be of Spanish or of any of the other nationalities concerned.

I have, &c.
(Signed) CROMER.

No. 21.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 3.)

(No. 9.)

My Lord,

Cairo, January 22, 1902.

IN continuation of my despatch No. 3 of the 8th, I have the honour to forward—

1. Copy of a Memorandum prepared by Mr. Gorst, who, in company with Sir William Garstin, the Suez Canal Directors, and Captain Gaunt, R.N., visited the proposed site of the new basin at Port Saïd a short time ago.

2. A letter which I have received from Captain Gaunt on the same subject.

If the Admiralty is prepared to sell the land which the Company wishes to acquire, the matter is comparatively simple. It will then only be necessary to negotiate with the Company as regards the price.

I understand, however, that an exchange will probably be considered preferable.

I fear it will be somewhat difficult to get the Canal Company to cede the land immediately behind the Dutch House. There can, in fact, be little doubt that, in view of the proposed position of the new Bassin Cherif, the cession of this land would be very inconvenient to them.

On the other hand, an arrangement might possibly be made on the following basis:—

1. The Company to give the Admiralty exclusive rights on the quays surrounding the Dutch House. I gathered from what Captain Gaunt tells me that some importance is attached to this point.

2. The cession of a piece of land on the Asiatic shore.

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I cannot, of course, say how far this solution would meet the views of the Admiralty, but I venture again to express a hope that the matter will be found capable of arrangement.

I have sent a copy of the inclosure to this despatch direct to Sir John Fisher.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 21.

Memorandum by Mr. Gorst.

IN company with Sir William Garstin, the Under-Secretary of State for Public Works, I visited Port Saïd on the 20th January, and examined on the spot the proposals put forward by the Suez Canal Company for the creation of a commercial port at that town, in connection with the extension of the Government system of railways to Port Saïd. Prince d'Arenberg, the President of the Company, and some of the other Directors, were present, also Commander Gaunt, of His Majesty's ship "Scout."

The proposals of the Company contemplate the retrocession by the British Admiralty of the piece of land belonging to them between the Bassin Cherif and the Bassin Abbas. This land is not at present used for any purpose by the Admiralty, but a portion of it is let to Messrs. Dowrie and Co., a firm of engineers.

Both Sir W. Garstin and myself are quite agreed that the existence of this piece of land—which juts out towards the entrance of the Canal—will prove a serious obstacle to the development of the transit service through the Canal, and also to the creation of a suitable commercial port at Port Saïd, and that it would be very desirable, both in the general interests of commerce and of Egyptian trade, that this obstacle should be removed, provided that there are no strong objections from the Admiralty point of view.

The Suez Canal Company appear to be disposed either to offer compensation in money for the retrocession of this land, or to provide a convenient site elsewhere, but would presumably prefer the former course. They are also prepared to find another site for the business of Dowrie and Co., and to indemnify them for the transfer.

A point raised by Commander Gaunt was that the British Admiralty possess quay rights over the land in question, but do not possess such rights over the quays which surround the Dutch House, which at present is actually used by the Admiralty.

There would, I think, be no difficulty in getting the Canal Company to agree to the quays surrounding the Dutch House being reserved for the exclusive use of the British Admiralty, in place of the rights which the Admiralty now enjoy over the land which it is desired to take back.

If the Admiralty desire an exchange of land, the Company would be prepared to give them a convenient site on the Asiatic shore, that is to say, on the other side of the port; but they seem indisposed to a suggestion which was put forward that the land contiguous to the Dutch House should be handed over to the Admiralty in exchange, as they said such land was indispensable both for the extension of the Arsenal Basin and for the utilization of the Bassin Cherif.

Without venturing to express an opinion as to whether any of these solutions should be accepted by the Admiralty, I would add that both Sir W. Garstin and myself consider that it is of great importance that some arrangement should be arrived at between the Admiralty and the Suez Canal Company.

(Signed) J. L. GORST.

January 21, 1902.

Inclosure 2 in No. 21.

Commander Gaunt to the Earl of Cromer.

My Lord,

"Scout," at Port Saïd, January 20, 1902.

I HAVE the honour to inform you that I met Prince d'Arenberg, the Managers of the Canal Company, and Mr. Gorst, this day, and visited the site of the Admiralty land and that in the rear of the Navy House.

1. As arranged, I appeared as a spectator, and did not reply to any of the arguments put forward by the Managers of the Company.

2. Their point of view is that, though the Admiralty land is indispensable to them, they do not want to give anything in return but monetary compensation; they fear that if they give up any other piece of land, the port being small, they will find in the future that they want it also. The only advantage they appear to be ready to concede without pressure is that they will give the Admiralty full quay rights over the Navy House and Admiralty Cottage (old "Dutch House" and "Consulate") properties.

3. The Company wished to argue that the Admiralty had never made use of the Admiralty land, and therefore that they could do without it. I advised Mr. Gorst that the reply to that was that, although the Admiralty did not actually use the whole of it, they regarded its possession as being of such value that, despite repeated offers for the land, they preferred to allow the money sunk in it to remain apparently idle, so that they could be assured of its immediate possession in case it should be required at a moment's notice.

4. The Company would like to assume that the Admiralty have sufficient land at Navy House for all their purposes.

5. I should have preferred if the Company could have been persuaded to propose any sites in exchange for the land which they wish to acquire, but this they would not do; they desire that any proposal should come from the Admiralty, but this, I think, will delay negotiations very much. Any space at all that was in a favourable position it seemed to me that they were ready to declare was required for some purpose or another. But it has to be remembered that the Admiralty regard the encouragement of Messrs. Dowrie as being of importance (since it is a cheap way of maintaining a repairing shop in which they have the first claim for work to be carried out), and to Messrs. Dowrie it is essential that they should have a prominent site upon the harbour or Canal banks, easily accessible from the town.

6. If the Admiralty are prepared to accept monetary compensation, there is nothing more to be said. But if, as I think they will, they require another site and to re-establish Messrs. Dowrie, I would propose—

(a.) That the Admiralty should hold out for the piece of land which I originally pointed out to you at the back of Navy House, with all quay rights and privileges;

(b.) Failing this, that they should ask for the quay rights over the Navy House and Admiralty Cottage lands, and for a corresponding sized piece to the Admiralty land on the small island on the east side of the Canal, to establish Messrs. Dowrie upon.

7. The Company will contest the first proposal on the score that they require that quay for landing cargoes from small craft, and that it will cramp their workshops; but the land they ask for is indispensable to them, whereas the small craft can be made to unload elsewhere, and the Admiralty having the whip hand may naturally expect some concession. As to the second scheme, I do not think that it would be so good for the Admiralty, but in many ways it would be better for Messrs. Dowrie than the first one; the Company will oppose it because they say that it is the only piece of land they have left in which they can establish a new firm, but this argument seems to me very one-sided.

I have, &c.

(Signed) E. F. A. GAUNT,
Commander and Senior Naval Officer, Port Saïd.

No. 22.

Sir E. Egerton to the Marquess of Lansdowne.—(Received February 8.)

(No. 12.)

My Lord,

Athens, February 3, 1902.

WITH reference to my despatch No. 7 of the 7th ultimo on the subject of M. Grypari's expulsion of certain turbulent Greeks from Egypt, to-day's "Acropolis" contains an appeal from three of the exiles who have come on here from Smyrna.

As the Chamber meets immediately there may be on behalf of these men attacks made on the Government, and I mentioned the matter to the King, saying how much Lord Cromer held to M. Grypari's receiving the support of his Government in this matter.

His Majesty thought the Chamber would appreciate that it was in accordance with

Lord Cromer's desire that the men were expelled, and as there was no wish here to do anything in Egypt disagreeable to His Britannic Majesty's Representative, there would not be general disapproval shown of the steps taken.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 22.

Extract from the "Acropolis," February 3, 1902.

(Translation.)

To the Editor,

THE Undersigned having been expelled from Egypt, as is well known to you, on account of the strike of the cigarette makers, and only for that, and not knowing where to address ourselves and ask for our rights and for our return to Egypt, we beg you to have the kindness to support us by your paper, because we are here away from our families and from our children; they do not know where we are, and we do not know where they are, and, what is most important, we are penniless. It is enough for you, Mr. Editor, to take into consideration that our expulsion was effected in common understanding of M. Grypari, with the Administrative authority, for the sake of the defence of the interests of the manufacturer, M. Susa, who was at the bottom of all this.

For God's sake do cry out! Are we not Greeks? Why should we suffer the penalty of criminals of the worse kind, to be beaten, insulted, manacled, measured by the anthropometrical system, photographed, and at the end expelled. Where? To Smyrna, without any certificate or any other papers, &c. How we succeeded in coming here it is a miracle. God on the one hand and money on the other have saved us from the prisons of Smyrna.

Now we are here without food, shelter, and support, not being able to return to Egypt because our photographs are exhibited at all the seaports and central provinces of Egypt. We repose, therefore, in the hands of the press, which is competent for the purpose.

Having nothing else to add, we beg you to accept our thanks, and we pray you to extend upon us your sympathy and support. We made use of this letter in order to spare you the trouble of hearing the whole account of this tragedy. If, however, you require us to make a statement of all the details you may call us to do so. We stay at the Hotel "Parthenon."

We remain, &c.
(Signed) TH. CONSTANTINIDES.
CONST. PETRAKIS.
CONST. GASTOUNIOTIS.
(Expelled Greeks.)

No. 23.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 15.)

(No. 19.)

(Telegraphic.) P.

Cairo, February 15, 1902.

THE proposed arrangement respecting a new railway and harbour works at Port Saïd, as reported in my despatch No. 19 of the 15th ultimo, has been ratified by the Suez Canal Company.

No. 24.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 20.)

(No. 20.)

(Telegraphic.) P.

Cairo, February 20, 1902.

WITH reference to my despatch No. 9 of the 22nd ultimo, I have the honour to inform your Lordship that a proposal, involving the cession to the Admiralty of the land at the back of the Navy House, has now been put forward by the Suez Canal

Company. The Company would, I think, prefer to give land elsewhere, and this proposal, which is against the advice of their local agents, is only made in consequence of their great anxiety to meet our views.

I am forwarding to your Lordship by next mail a plan and letter, in which the nature of the proposal is more fully explained.

I have repeated this telegram to Sir John Fisher at Malta.

No. 25.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 22.)

(No. 19.)

My Lord,

Cairo, February 15, 1902.

WITH reference to my despatches Nos. 9 and 3 of the 22nd and 8th ultimo respectively, I have the honour to inclose herewith copy of a Convention which was signed *ad referendum* on the 1st February on behalf of the Suez Canal Company and the Egyptian Government, concerning the construction of a railway of the usual gauge (i.e., 1.45 metre) from Ismailia to Port Saïd and to the harbour of Port Saïd.

I have also the honour to inclose copies of explanatory correspondence which has passed between the agency of the Suez Canal Company in Egypt and the Council of Ministers.

The Convention has now to be ratified by the Council of Ministers and also by the Board of the Suez Canal Company.

It is also necessary to obtain the consent of the Caisse de la Dette to the provisions in Article 11 which exempt the Company from customs duty, customs duties being part of the revenue affected to the service of the debt.

The representatives of the Caisse de la Dette have already given their consent unofficially, and the official correspondence on the subject will be exchanged in a few days; the Convention will then be submitted to the Council of Ministers.

I have, &c.

(In the absence of the Earl of Cromer),

(Signed) M. DE C. FINDLAY.

Inclosure 1 in No. 25.

Convention relative au Chemin de Fer à voie normale d'Ismailia à Port-Saïd et au Port de Port-Saïd.

TITRE I.—Chemin de Fer à voie normale d'Ismailia à Port-Saïd.

ARTICLE 1^{er}. A La demande du Gouvernement Égyptien, la Compagnie Universelle du Canal Maritime de Suez accepte de transformer, à ses frais, en une ligne à écartement normal de 1.45 mètre, la voie de service à écartement réduit de 0.75 mètre, par elle construite sur les terrains de sa Concession, entre Ismailia et Port-Saïd, et de raccorder cette ligne avec le réseau des Chemins de Fer de l'État à Ismailia.

Art. 2. La dite Compagnie accepte également de louer au Gouvernement Égyptien, pour toute la durée de sa Concession, la ligne d'Ismailia à Port-Saïd ainsi transformée. Le Gouvernement en assurera l'exploitation à ses frais, risques et périls. A l'expiration de la Concession, il deviendra de plein droit propriétaire de la ligne et de ses dépendances.

Si le Gouvernement chargeait plus tard de cette exploitation une Administration ou une Société particulière, il resterait responsable vis-à-vis de la Compagnie du Canal de Suez des obligations résultant de la présente Convention.

Art. 3. Des travaux à exécuter, à la charge de la Compagnie du Canal de Suez, pour la transformation de sa voie de service en une ligne à écartement normal, comprennent l'infrastructure, la superstructure, les bâtiments et le matériel fixe des gares. Le Gouvernement Égyptien fournira à ses frais le mobilier des gares, l'outillage des ateliers et dépôts, et le matériel roulant.

Art. 4. Les conditions d'établissement de la ligne à écartement normal seront les mêmes que celles des lignes du réseau de l'État.

Les travaux seront exécutés, pour le compte de la Compagnie du Canal de Suez,

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par le Gouvernement Égyptien. Celui-ci fixera, d'accord avec la Compagnie, le mode d'exécution et les détails de la construction.

Art. 5. La Compagnie avancera trimestriellement au Gouvernement Égyptien les sommes nécessaires à la construction. Le compte de ces avances sera régularisé à la fin de chaque trimestre sur la base de décomptes dressés contradictoirement. A l'achèvement de la construction, il sera dressé de la même manière un décompte général définitif.

Les améliorations ultérieures ne seront entreprises par le Gouvernement Égyptien qu'après accord préalable avec la Compagnie du Canal de Suez. Si ces travaux étaient assez importants pour entraîner le concours financier de la Compagnie, il serait procédé comme pour la construction dont il vient d'être question.

Les terrains nécessaires à l'établissement de la voie et à son exploitation seront délimités par la Compagnie et le Gouvernement. Celui-ci n'établira aucune installation en dehors des limites contradictoirement fixées.

La Compagnie désignera un ou plusieurs Commissaires, chargés de suivre et de vérifier les travaux exécutés pour son compte par le Gouvernement Égyptien.

Art. 6. Le Gouvernement Égyptien versera à la Compagnie des annuités établies de manière à éteindre, dans les années de sa Concession restant à courir, les dépenses déjà effectuées par elle sur sa voie de service et celles qu'en vertu de la présente Convention elle fera à l'avenir sur la ligne à écartement normal.

Les annuités correspondant aux dépenses déjà faites par la Compagnie sur sa voie de service et à celles qu'elle fera, au cours des cinq premières années après la signature de la présente Convention, pour la transformation de la dite voie en une ligne à écartement normal, seront calculées au taux de 4 pour cent intérêt et amortissement compris.

Pour les dépenses dont la Compagnie accepterait plus tard la charge, le taux des annuités sera fixé d'un commun accord.

Le service des annuités dues à la Compagnie commencera du jour où le Gouvernement prendra livraison de la voie actuelle pour l'exploiter.

Le Gouvernement indemniserà la Compagnie pour l'occupation des terrains et de la voie ferrée sous la forme indiquée à l'Article 11.

Art. 7. Le Gouvernement Égyptien assurera lui-même, pendant la période de la construction de la nouvelle ligne, l'exploitation de la voie de service actuelle.

Art. 8. Le Gouvernement Égyptien fera circuler par jour, entre Ismaïlia et Port-Saïd, au moins deux trains de voyageurs dans chaque sens, dont un s'arrêtant, tant à l'aller qu'au retour, à toutes les gares du Canal Maritime, et sur demande spéciale de la Compagnie, à la halte de l'Hôpital de Saint-Vincent-de-Paul.

Il mettra gratuitement à la disposition de la Compagnie du Canal de Suez douze trains spéciaux par an, entre Port-Saïd et Ismaïlia ou vice versa.

Art. 9. Le Gouvernement Égyptien accordera le passage gratuit par les tous trains réguliers circulant sur les lignes Suez-Ismaïlia et Ismaïlia-Port-Saïd aux personnes munies d'une réquisition en règle de la Compagnie.

Il transportera dans les mêmes conditions de gratuité, par tous les trains mixtes et de marchandises, les objets et matières qui lui seront présentés avec une réquisition en règle de la Compagnie.

Toutefois ces transports gratuits sont limités annuellement à un maximum de 1,300,000 voyageurs-kilomètres, de 40,000 tonnes-kilomètres, et de 1,000 petits colis d'un poids inférieur à 20 kilogrammes.

TITRE II.—Port de Port-Saïd.

Art. 10. A la demande du Gouvernement Égyptien, la Compagnie Universelle du Canal Maritime de Suez prend à sa charge tous les travaux d'extension de port nécessités, à Port-Saïd, par la progression du mouvement commercial. Il appartiendra à la dite Compagnie de décider de la nature, de la disposition, et de l'importance de ces travaux, ainsi que de l'ordre et des détails d'exécution, mais elle mettra le port en état de suffire aux besoins du commerce, après la signature de la présente Convention, et le développera au fur et à mesure que s'entendront ces besoins.

Sous les réserves déjà prévues par les Conventions antérieures des droits souverains de l'État, la Compagnie est et demeure seule chargée, en vertu des actes constitutifs du 30 Novembre, 1854, et 5 Janvier, 1856, du Firman Impérial du 19 Mars, 1866, aussi bien que des diverses Conventions établissant ses droits et ses obligations, de gérer et d'administrer, pendant toute la durée de sa Concession, le port de Port-

Saïd, partie intégrante du Canal, d'y surveiller et d'y diriger toutes les opérations maritimes et commerciales.

Art. 11. Le port de Port-Saïd comprend, non seulement l'étendue d'eau qui forme l'avant-port, le chenal, et les bassins, mais encore une bande de terrain longeant ces bassins. Les limites de la zone maritime et terrestre constituant ainsi le port de Port-Saïd sont, pour le présent, arrêtées d'un commun accord telles qu'elles figurent sur le plan ci-joint sous la désignation des lettres : A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, A', B', C', D', E', F', G', H'.

La zone ainsi fixée formera une zone franche au point de vue douanier. Les droits de douane ainsi que tous autres droits établis dans l'avenir par le Gouvernement sur les marchandises ne pourront être perçus qu'à la sortie et à l'entrée de la zone franche. Continueront cependant d'être taxés à l'intérieur de la dite zone les charbons en transit et les matières qui y seront, soit consommées, soit incorporées dans les constructions.

Exception est faite pour les matières consommées sur les navires, aussi bien que pour tous appareils et toutes matières employées par la Compagnie à l'entretien, à l'amélioration, et à l'exploitation du Canal Maritime et des ports qui en dépendent.

Cette exonération des droits de douane est accordée par le Gouvernement à la Compagnie, tant comme rémunération à forfait des dépenses mises à sa charge par l'Article 10 de la Convention, que comme indemnité pour l'occupation de la voie ferrée d'Ismaïlia à Port-Saïd et des terrains affectés à l'exploitation de cette voie.

Art. 12. Au sud du point I sur la rive Afrique et de la ligne B', C', D', sur la rive Asie, les limites de la zone franche pourront varier dans l'avenir, de manière à suivre les extensions successives du port, et à maintenir le long des lignes d'eau une bande de terrain dont les dimensions seront fixées chaque fois par la Compagnie, d'accord avec le Gouvernement Égyptien.

La Compagnie réserve d'ores et déjà, pour les besoins de l'exploitation du port et pour ses extensions futures, tous les terrains limités du côté Afrique par la ligne I, V, W, X, Y, Z, et du côté Asie par la ligne B', W', X', Y', Z'. Dans la suite les limites de la zone franche pourront être peu à peu reculées jusqu'aux lignes I, V, W, X, Y, Z, et B', W', X', Y', Z'.

Art. 13. La partie nord du bassin des chalands charbonniers et les deux bassins traverses, autrefois creusés aux frais du domaine commun rentrant dans la zone franche, la moitié des dits frais sera remboursée au Gouvernement par la Compagnie qui aura seule désormais et jusqu'à la fin de sa Concession, la jouissance des dits bassins.

Art. 14. La Compagnie rachètera, pour son compte et à ses frais, les propriétés qui se trouvent englobées dans la zone franche et celles qui, dans la zone réservée, seront atteintes par les travaux d'extension du port.

Au cas où une entente amiable avec les propriétaires ne serait pas possible, l'expropriation aurait lieu dans les formes légales, par les soins et aux frais de la Compagnie, en vertu d'une déclaration d'utilité publique prise par le Gouvernement Égyptien à la requête de celle-ci.

La Compagnie continuera de percevoir les droits prévus par les Conventions antérieures et de se rémunérer, aux prix de ses tarifs, des services rendus par elle aux navires et à la marchandise, tels que location de chalands et d'appareils divers, &c. Elle sera autorisée à étendre les dites redevances de manière à se rémunérer aussi des services nouveaux qu'elle pourra rendre aux navires et à la marchandise, tels que chargement et déchargement, mise en dépôt à terre ou sur eau, magasinage dans les magasins et entrepôts construits par elle, &c. Elle aura le droit d'élever dans la zone franche toutes constructions ou hangars, d'y établir toutes installations en vue de l'exploitation du port; elle pourra aussi louer des emplacements à des particuliers pour assurer l'exploitation normale du port et satisfaire aux besoins du commerce. L'affectation à toute autre destination de terrains compris dans la zone franche est formellement interdite sans l'assentiment préalable du Gouvernement.

A l'expiration de la Concession, le Gouvernement Égyptien rentrera en possession du port et de ses dépendances dans les conditions fixées par les actes de Concession du 30 Novembre, 1854 (Article 10), et du 5 Janvier, 1856 (Article 16).

Art. 15. Les voies de fer raccordées au chemin de fer d'Ismaïlia à Port-Saïd, posées à l'intérieur de la zone franche pour desservir le mouvement du port, seront établies aux frais de la Compagnie du Canal de Suez. Le Gouvernement aura la charge de l'exploitation de ces voies, suivant les indications du service du port. Il s'engage à fournir, en temps utile et dans la plus large mesure possible, le matériel roulant que nécessitera le mouvement commercial.

Art. 16. Toutes les dispositions contraires aux stipulations qui précèdent, inscrites dans les Conventions passées antérieurement entre le Gouvernement Égyptien et la Compagnie, sont et demeurent abrogées.

Fait au Caire, le 1^{er} Février, 1902.

Le Président de la Compagnie,
(Sous réserve de l'approbation du Conseil d'Administration
de la Compagnie),
(Signé) Prince AUGUSTE D'ARENBERG.

Le Président du Conseil des Ministres,
(Sous réserve de l'approbation du Conseil des Ministres),
(Signé) MOUSTAPHA FEHMY.

Inclosure 2 in No. 25.

Prince d'Arenberg to Moustapha Fehmy.

Le Caire, le 1^{er} Février, 1902.

Excellence,

LA Convention qui établit l'accord du Gouvernement Égyptien et de la Compagnie du Canal de Suez au sujet du Chemin de Fer d'Ismaïlia à Port-Saïd et du port de Port-Saïd est en soi fort claire. La brièveté de quelques Articles rend cependant utile un commentaire qui en développe le sens et précise certains détails.

Le premier de ces Articles est l'Article 6. Le chiffre auquel a été limitée la part des dépenses déjà faites par la Compagnie sur sa voie de service que le Gouvernement doit rembourser au moyen d'annuités au taux de 1 pour cent n'y est point inscrit. Il a été fixé à 3,000,000 de fr. Le Gouvernement aura à verser ainsi à la Compagnie, à dater du jour où la voie de service lui sera remise conformément à l'Article 7, une annuité de 120,000 fr., payable jusqu'à la fin de la Concession. En retour il deviendra propriétaire de tout le matériel fixe et roulant de la dite voie, et pourra en disposer à son gré.

L'Article 7 est en lui-même d'une parfaite clarté, mais il ne dit pas et ne pouvait pas dire ce que deviendra le personnel actuellement attaché au service de la voie ferrée.

Il a été convenu que, pendant l'exécution des travaux d'établissement de la ligne à écartement normal, tout ce personnel sera mis à la disposition de l'Administration des Chemins de Fer de l'État, qui s'en servira pour assurer l'exploitation de la voie existante. Ce personnel jouira du traitement et des avantages accessoires dont il bénéficierait s'il restait au service de la Compagnie.

Afin que toute difficulté à cet égard soit évitée une liste nominative des employés et des ouvriers occupés aujourd'hui par la Compagnie sur sa voie de service sera remise à l'Administration des Chemins de Fer de l'État, avec l'indication pour chacun d'eux, des traitements, salaires, et autres avantages accessoires auxquels ils ont droit. Les états de paiement seront dressés sur la base de ce document, à la fin de chaque mois, par l'Administration des Chemins de Fer de l'État et visés par un Commissaire Délégué de la Compagnie. Tout le personnel dont il s'agit sera entièrement aux ordres et sous la direction de l'Administration des Chemins de Fer de l'État. Le Gouvernement s'engage d'ores et déjà à conserver autant que possible, pour le service des Chemins de Fer de l'État, après l'ouverture de la nouvelle ligne, les employés et ouvriers attachés à la voie ferrée de la Compagnie, avec un traitement analogue à celui dont ils jouiront alors tous accessoires compris. Il fera savoir à la Compagnie trois mois avant l'ouverture de la voie nouvelle, quels employés et ouvriers il gardera et quels il lui rendra. La Compagnie aura la charge de régler la situation ultérieure des employés et des ouvriers que le Gouvernement ne gardera pas à son service; elle devra aussi liquider, conformément à ses règlements, la situation antérieure des agents qui passeront aux Chemins de Fer de l'État, de manière que le Gouvernement Égyptien soit garanti contre toute revendication à ce sujet.

L'Article 9 de la Convention stipule que le Gouvernement devra transporter gratuitement entre Port-Saïd, Ismaïlia, et Suez 1,300,000 voyageurs-kilomètres qui, d'après les prévisions, se répartissent comme suit entre les trois classes: 40,000 voyageurs-kilomètres de première classe, 860,000 voyageurs-kilomètres de deuxième

classe, et 400,000 voyageurs-kilomètres de troisième classe. Cette répartition n'est toutefois pas absolue, en ce sens que si une certaine classe laisse sur les chiffres ci-dessus un excédent disponible, cet excédent pourra être déversé sur les classes inférieures, sans que jamais le nombre total des voyageurs-kilomètres puisse dépasser 1,300,000. Il a été admis aussi que trente chefs de service ou agents d'un grade élevé de la Compagnie recevraient des cartes permanentes de libre circulation en première classe entre Port-Saïd et Suez.

Dans la partie de la Convention relative au port, deux Articles, l'Article 10 et l'Article 11, ont seuls à être expliqués.

L'Article 10 porte que la Compagnie mettra le port en état de suffire aux besoins du commerce, après la signature de la Convention. Cette rédaction a paru la plus générale et par là la meilleure; elle nécessite toutefois une explication importante.

L'agrandissement du bassin Chérif fait partie des travaux à exécuter en premier lieu; il faut toutefois pour l'entreprendre que les expropriations aient été réglées. La Compagnie a entamé des négociations à ce sujet avec les Gouvernements Anglais et Français et avec les autres occupants; mais l'appui actif du Gouvernement Égyptien peut seul faire aboutir ces négociations dans un court délai.

La stipulation relative à l'exemption des droits de douane entrera en vigueur du jour où la ligne à écartement normal sera ouverte à l'exploitation, à la condition que la Compagnie, ayant entrepris les travaux d'amélioration du port, soit en mesure de satisfaire aux nouveaux besoins du commerce.

Afin que le Gouvernement soit constamment renseigné sur l'état du port la Compagnie s'empressera de lui remettre le plan détaillé qu'elle en fait dresser chaque année pour éclairer le Conseil d'Administration.

Aucun doute ne peut exister au sujet de l'interprétation de l'Article 11. Le droit de police, l'un des droits souverains de l'État, ne saurait être limité. Si donc il arrivait jamais que les particuliers, par fraude ou contrebande, voulussent étendre à leur profit le sens de l'Article 11 jusqu'à prétendre qu'il crée une sorte d'asile, la Compagnie tient à dire qu'elle ne l'admettrait pas plus que le Gouvernement lui-même. Si, par exemple, des exportateurs peu scrupuleux parvenaient à faire pénétrer de la marchandise dans la zone franche sans payer les droits réguliers, ils pourraient y être recherchés; si quelqu'un tentait d'introduire par cette zone une marchandise prohibée, il devrait y être poursuivi. Le port de Port-Saïd forme une zone franche au point de vue douanier, mais il reste soumis, sous tous les autres rapports, aux lois du pays; tous impôts et droits pourront y être perçus comme sur le reste du territoire Égyptien, hormis ceux que spécifie l'Article 11.

Aucun doute ne peut exister non plus sur la portée limitative de l'exemption des droits de douane accordée à la Compagnie. Il n'est question ici d'aucune faveur pour son personnel, mais uniquement d'une facilité pour les travaux et l'exploitation. Ces travaux et cette exploitation nécessitent des appareils; ils nécessitent aussi de nombreuses matières, consommées sur ces appareils, dans le port et dans les ateliers, ou déposées dans les magasins. Ces matières et objets divers ne circulent pas d'un atelier à l'autre, ou d'un magasin à un autre, ou encore d'un magasin à un appareil, sans une lettre de voiture inscrite dans les comptes de la Compagnie, facilement vérifiable et qui fait foi de l'usage auquel ils sont destinés. Les lettres de voiture, les connaissements à l'arrivée en Égypte, &c., servent aujourd'hui aux vérifications de la Douane, ces mêmes pièces y pourront encore servir sous le régime de l'exemption sans qu'il y ait rien à changer aux habitudes. Toutefois, pour ajouter à l'autorité de ces pièces, il est entendu qu'elles devront toujours être certifiées par l'Ingénieur-en-chef de la Compagnie, ou, à son défaut, par un chef de section responsable.

Veillez, &c.

Le Président de la Compagnie Universelle du
Canal Maritime de Suez,
(Signé) Prince AUGUSTE D'ARENBERG.

Inclosure 3 in No. 25.

Moustapha Fehmy to Prince d'Arenberg.

M. le Président,

Le Caire, le 1^{er} Février, 1902.

EN réponse à la lettre que vous m'avez adressée le 1^{er} Février courant comme commentaire de la Convention relative au chemin de fer à voie normale d'Ismaïlia à Port-Saïd et au port de Port-Saïd, j'ai l'honneur de vous informer que le Gouverne-

ment Égyptien adhère entièrement à ce document, dont les termes sont reproduits textuellement ci-après :—

“La Convention qui établit l'accord du Gouvernement Égyptien et de la Compagnie du Canal de Suez au sujet du Chemin de Fer d'Ismailia à Port-Saïd et du port de Port-Saïd est en soi fort claire. La brièveté de quelques Articles rend cependant utile un commentaire qui en développe le sens et précise certains détails.

“Le premier de ces Articles est l'Article 6. Le chiffre auquel a été limitée la part des dépenses déjà faites par la Compagnie sur sa voie de service que le Gouvernement doit rembourser au moyen d'annuités au taux de 4 pour cent n'y est point inscrit. Il a été fixé à 3,000,000 fr. Le Gouvernement aura ainsi à verser à la Compagnie, à dater du jour où la voie de service lui sera remise conformément à l'Article 7, une annuité de 120,000 fr., payable jusqu'à la fin de la Concession. En retour il deviendra propriétaire de tout le matériel fixe et roulant de la dite voie et pourra en disposer à son gré.

“L'Article 7 est en lui-même d'une parfaite clarté, mais il ne dit pas, il ne pouvait pas dire ce que deviendra le personnel actuellement attaché au service de la voie ferrée. Il a été convenu que, pendant l'exécution des travaux d'établissement de la ligne à écartement normal, tout ce personnel sera mis à la disposition de l'Administration des Chemins de Fer de l'État, qui s'en servira pour assurer l'exploitation de la voie existante. Ce personnel jouira du traitement et des avantages accessoires dont il bénéficierait s'il restait au service de la Compagnie.

“Afin que toute difficulté à cet égard soit évitée une liste nominative des employés et des ouvriers occupés aujourd'hui par la Compagnie sur sa voie de service sera remise à l'Administration des Chemins de Fer de l'État, avec l'indication pour chacun d'eux, des traitements, salaires, et autres avantages accessoires auxquels ils ont droit. Les états de paiement seront dressés sur la base de ce document, à la fin de chaque mois, par l'Administration des Chemins de Fer de l'État et visés par un Commissaire Délégué de la Compagnie. Tout le personnel dont il s'agit sera entièrement aux ordres et sous la direction de l'Administration des Chemins de Fer de l'État. Le Gouvernement s'engage d'ores et déjà à conserver autant que possible, pour le service des Chemins de Fer de l'État, après l'ouverture de la nouvelle ligne, les employés et ouvriers attachés à la voie ferrée de la Compagnie, avec un traitement analogue à celui dont ils jouiront alors, tous accessoires compris. Il fera savoir à la Compagnie trois mois avant l'ouverture de la voie nouvelle, quels employés et ouvriers il gardera et quels il lui rendra. La Compagnie aura la charge de régler la situation ultérieure des employés et des ouvriers que le Gouvernement ne gardera pas à son service; elle devra aussi liquider, conformément à ses règlements, la situation antérieure des agents qui passeront aux Chemins de Fer de l'État, de manière que le Gouvernement Égyptien soit garanti contre toute revendication à ce sujet.

“L'Article 9 de la Convention stipule que le Gouvernement devra transporter gratuitement entre Port-Saïd, Ismailia, et Suez 1,300,000 voyageurs-kilomètres qui, d'après les prévisions, se répartissent comme suit entre les trois classes: 40,000 voyageurs-kilomètres de 1^{re} classe, 860,000 voyageurs-kilomètres de 2^e classe, et 100,000 voyageurs-kilomètres de 3^e classe. Cette répartition n'est toutefois pas absolue, en ce sens que si une certaine classe laisse sur les chiffres ci-dessus un excédent disponible cet excédent pourra être déversé sur les classes inférieures, sans que jamais le nombre total des voyageurs-kilomètres puisse dépasser 1,300,000. Il a été admis aussi que trente chefs de service ou agents d'un grade élevé de la Compagnie recevraient des cartes permanentes de libre circulation en 1^{re} classe entre Port-Saïd et Suez.

“Dans la partie de la Convention relative au port, deux Articles, l'Article 10 et l'Article 11, ont seuls à être expliqués.

“L'Article 10 porte que la Compagnie mettra le port en état de suffire aux besoins du commerce, après la signature de la Convention. Cette rédaction a paru la plus générale et par là la meilleure; elle nécessite toutefois une explication importante.

“L'agrandissement du bassin Chérif fait partie des travaux à exécuter en premier lieu; il faut toutefois pour l'entreprendre que les expropriations aient été réglées. La Compagnie a entamé des négociations à ce sujet avec les Gouvernements Anglais et Français et avec les autres occupants; mais l'appui actif du Gouvernement Égyptien peut seul faire aboutir ces négociations dans un court délai.

“La stipulation relative à l'exemption des droits de douane entrera en vigueur du jour où la ligne à écartement normal sera ouverte à l'exploitation, à la condition que

la Compagnie, ayant entrepris les travaux d'amélioration du port, soit en mesure de satisfaire aux nouveaux besoins du commerce.

“Afin que le Gouvernement soit constamment renseigné sur l'état du port, la Compagnie s'empressera de lui remettre le plan détaillé qu'elle en fait dresser chaque année pour éclairer le Conseil d'Administration.

“Aucun doute ne peut exister au sujet de l'interprétation de l'Article 11. Le droit de police, l'un des droits souverains de l'État, ne saurait être limité. Si donc il arrivait jamais que les particuliers, par fraude ou contrebande, voulussent étendre à leur profit le sens de l'Article 11 jusqu'à prétendre qu'il crée une sorte d'asile, la Compagnie tient à dire qu'elle ne l'admettrait pas plus que le Gouvernement lui-même. Si, par exemple, des exportateurs peu scrupuleux parvenaient à faire pénétrer de la marchandise dans la zone franche sans payer les droits réguliers, ils pourraient y être recherchée; si quelqu'un tentait d'introduire par cette zone une marchandise prohibée, il devrait y être poursuivi. Le port de Port-Saïd forme une zone franche au point de vue douanier, mais il reste soumis, sous tous les autres rapports, aux lois du pays: tous impôts et droits pourront y être perçus comme sur le reste du territoire Égyptien, hormis ceux que spécifie l'Article 11.

“Aucun doute ne peut exister non plus sur la portée limitative de l'exemption des droits de douane accordée à la Compagnie. Il n'est question ici d'aucune faveur pour son personnel, mais uniquement d'une facilité pour les travaux et l'exploitation. Ces travaux et cette exploitation nécessitent des appareils; ils nécessitent aussi de nombreuses matières, consommées sur ces appareils, dans le port et dans les ateliers, ou déposées dans les magasins. Ces matières et objets divers ne circulent pas d'un atelier à l'autre, ou d'un magasin à un autre, ou encore d'un magasin à un appareil, sans une lettre de voiture inscrite dans les comptes de la Compagnie, facilement vérifiable et qui fait foi de l'usage auquel ils sont destinés. Les lettres de voiture, les connaissements à l'arrivée en Égypte, &c., servent aujourd'hui aux vérifications de la douane; ces mêmes pièces y pourront encore servir sous le régime de l'exemption sans qu'il y ait rien à changer aux habitudes. Toutefois, pour ajouter à l'autorité de ces pièces, il est entendu qu'elles devront toujours être certifiées par l'Ingénieur-en-chef de la Compagnie, ou, à son défaut, par un chef de section responsable.”

Veillez, &c.

Le Président du Conseil des Ministres,

(Signé) MOUSTAPHA FEHMY.

No. 26.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 24.)

(No. 26.)

(Telegraphic.) P.

Cairo, February 24, 1902.

I RECEIVED a visit this morning from Ahmed Arabi, who came to ask whether he might go to London. I told him that he was perfectly at liberty to do so. He then said that his object was to pay his respects to His Majesty, and to express his thanks to His Royal Highness the Prince of Wales. I replied that, on the question of whether he would or would not receive, I could give him no assurance. It would, however, I think, be most undesirable that he should be received. It would give great offence to the Khedive, and, though I cannot make out that he has any legitimate complaint, I fancy that his real object is to complain generally of the treatment he has received from His Highness. He is also anxious to agitate for an increase of his present allowance.

It is possible that Arabi would abandon the idea of a visit altogether if he were informed now that he would not be received either by His Majesty or by His Royal Highness. Mr. Blunt's inspiration is probably responsible for the idea.

No. 27.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 27.)

(Telegraphic.) P.

Foreign Office, February 25, 1902.

I HAVE received your telegram No. 20 of the 20th February, referring to the Admiralty property at Port Said.

The Admiralty have no wish to raise unnecessary difficulties, and would not oppose measures for the widening of the canal, provided that they have the same amount of water frontage as they now possess and that its position is equally favourable.

I will send a Memorandum to you by the next mail, which fully explains the views of the Admiralty.

Should more be required, the Admiralty Director of Works, who is going at Easter to Malta, could, if it is really necessary, then proceed to Egypt to see you and assist in arranging a compromise, or he could see the officers of the Suez Canal Company at Paris and confer with them.

No. 28.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 25.)

(Telegraphic.) P.

Foreign Office, February 25, 1902.

I HAVE received your telegram No. 25 of the 24th instant, relative to Arabi Pasha's desire to visit London to see the King and convey his thanks to the Prince of Wales. His Majesty will on no account receive him, and hopes that you will dissuade him from his intention of paying a visit to this country.

No. 29.

The Earl of Cromer to the Marquess of Lansdowne.—(Received February 27.)

(No. 28.)

(Telegraphic.) P.

Cairo, February 27, 1902.

AT a further interview this morning with Ahmed Arabi, he has informed me that, under the circumstances, he will abandon his proposed visit to London. I cannot say how far he may subsequently be influenced by Mr. Blunt to change his mind, but I think that at present he intends to adhere to this decision.

No. 30.

Admiralty to Foreign Office.—(Received February 28.)

Sir,

Admiralty, February 27, 1902.

WITH reference to your letter of the 20th instant and previous correspondence relative to the proposed railway extension and harbour works at Port Saïd, I am commanded by the Lords Commissioners of the Admiralty to transmit herewith, for the information of the Secretary of State for Foreign Affairs, a Memorandum respecting the Admiralty property facing the Canal front which the Suez Canal Company have proposed to acquire in connection with their scheme.

It will be seen that the Admiralty have always attached special importance to its retention for naval purposes.

2. My Lords have carefully considered the proposals, and, while anxious to in no way prevent the carrying out of the proposed widening of the Canal and the improvement scheme generally, it appears to them that the scheme can be modified so as to still enable the Admiralty to retain a corresponding area of land along the Canal front to that they at present possess without impairing the efficiency of the Company's proposals.

I am, &c.
(Signed) EVAN MACGREGOR.

Inclosure in No. 30.

PORT SAÏD.

Memorandum in respect of Admiralty Land.

THE Admiralty acquired this land in 1870. It was bought as a matter of policy.

No particular use of it has been made up to the present by the Admiralty for special naval purposes, but it has been leased to an engineering firm, and the Admiralty have the right of resumption whenever required. We are able to have repairs executed as necessary.

Its acquisition or retention has never been considered from any commercial point of view. The Admiralty have always attached the greatest importance to its commanding position on the Canal front and to its retention in case it should at any time be required for naval purposes; and although offers to buy it have been made in the past, they have never for a moment been entertained.

The Admiralty have no wish in any way to prevent the carrying out of the Canal Company's schemes for widening the Canal for dock extension and for improving the railway facilities. They are anxious, if naval interests permit, to meet the Company's views.

Three proposals have been made in this matter:—

- (a.) For a money payment;
- (b.) A site on the east side opposite Port Saïd; and
- (c.) The area in the rear of Navy House.

With regard to (a), no equivalent in money value can be considered, as it is essential that the Admiralty shall have land in exchange equivalent in area and position to that existing.

(b) Is in no sense an equivalent; it is on the opposite side from the town, and could not be accepted.

(c.) This is better situated than (b), but it has this considerable disadvantage: that it does not face the main front of the Canal, and that the Bassin Cherif is shallow. The only way in which this site could be made of any use would be to dredge the basin to a depth of at least 28 feet to enable vessels of heavy draught to come alongside the quay wall.

The Admiralty fully appreciate the importance of the widening of the Canal at the point facing Admiralty land. But at Port Saïd physical and engineering difficulties do not necessitate any particular "form" of docks and basins to suit peculiarities of ground. The Admiralty quite agree to give up their land for any widening of the Canal which is necessary at this point, but they do not see why they should not have equivalent frontage to the widened Canal and equivalent area at the point where the widening ceases, immediately in rear, i.e., to the west of their present land—the general arrangement of the docks being redesigned to allow for this, possibly by moving the new basins further south and by leaving the Bassin Cherif in its present condition. This would involve some alteration in the connection between the proposed terminus and the basins, but this seems only to be a question of rearrangement of sidings, and involves no real difficulty.

The Admiralty, therefore, consider that this aspect of the case should be pointed out to the Canal Company, and that they should be asked to thoroughly consider it.

It is believed that it will be quite practicable to replan the basins to give the Admiralty an area of land at the rear of their existing land occupying a corresponding position on the Canal front, without in any way impairing the general efficiency of the proposed scheme.

If this proposal is carried out, it is to be understood that all embanking and revetting walls and re-erecting buildings, as on the present Admiralty land, must be included in the arrangements.

Admiralty, February 27, 1902.

No. 31.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 3.)

(No. 21.)

My Lord,

Cairo, February 20, 1902.

WITH reference to previous correspondence, ending with my telegram No. 20, of today's date, I have the honour to forward (1) extract from a letter addressed by M. Charmes to Mr. Gorst, putting forward certain proposals for the exchange of land at present belonging to the Admiralty for other pieces of land; (2) a plan explaining the proposed exchange.

A reference to this plan will show that the Suez Canal Company suggest that the Admiralty should give up lots 2 and 3, containing a superficies of 19,400 square metres in exchange for lots marked A, B, C, D, with a superficies of 13,000 square metres. The ground offered in exchange is situated immediately at the back of Navy House, and incloses it on three sides. Although its extent is only two-thirds of that which the Admiralty is asked to give up, M. Charmes points out that the Admiralty would thereby acquire a compact piece of ground, instead of, as at present, occupying detached pieces.

The Suez Canal Company, whose attitude throughout these negotiations has been most conciliatory, have put forward the above proposal, because they understood that the Admiralty were desirous of acquiring the land situated behind Navy House. There is little doubt, however, that the Company would prefer to give up a piece of land on the Asiatic side of the canal. I should be grateful if your Lordship would ascertain the decision which the Admiralty wish to take in this matter.

I have, &c.
(Signed) CROMER.

Inclosure in No. 31.

M. Charmes to Mr. Gorst.

Extrait.)

L'AMIRAUTÉ Anglaise demande un autre terrain : où le lui proposer ? Dans conversations de Port Saïd, j'ai senti que vous partagiez l'avis du Commandant de l'Amirauté, que le meilleur emplacement vous paraissait être pour l'Amirauté celui qui se trouve derrière vos bâtiments. Vous vous le rappelez, tous nos chefs de service protestaient contre l'abandon d'un pareil terrain. Ils pensaient, ils pensent encore, que cet abandon entraînerait pour nous l'impossibilité d'utiliser tout un côté du Chérif; ils disaient aussi qu'une partie de ces terrains nous deviendrait indispensable pour nos ateliers.

Tout cela est vrai, mais ce qui est plus encore, c'est mon désir d'accommoder tout ce qui est accommodable; de continuer avec vous ces relations de bonne grâce qui, à tout moment, doivent toujours exister entre le Gouvernement Égyptien et la Cour britannique. Je n'ai donc cessé de me préoccuper de ce qui pourrait être fait dans le sens de ces désirs; et mon Président, qui a constaté, se prête avec la meilleure volonté aux arrangements possibles, s'en est préoccupé de même. Nous sommes tous disposés à vous donner satisfaction, malgré les avis opposés, dans toute la mesure où nous le pouvons faire.

Si, donc, cher Monsieur, vous persistiez à y tenir, un terrain vous sera cédé derrière vos bâtiments actuels. Mais nous nous fermerons ainsi tout débordement de nos ateliers. Pour ne pas les mettre dans une situation trop difficile, je vous demanderai de nous abandonner le petit terrain antérieurement occupé par votre Consul. Il est aujourd'hui loué à un industriel, mais depuis peu de mois, cet industriel peut habiter ailleurs, s'il a besoin de la proximité de l'eau pour ses ateliers. Le déplacement de ses ateliers est arrangeable et nous vous aiderons, au besoin, à l'arranger.

Le système, quelle étendue de terrain pourrait être attribuée à l'Amirauté les deux tiers au moins des mètres carrés par elle occupés en ce moment et dont nous lui demandons l'abandon, soit 13,000 mètres. L'Amirauté aurait ainsi la possibilité de posséder ainsi, dans la meilleure partie de notre part, un très vaste terrain. Je vais faire joindre à ma lettre un plan qui rendra mon intention plus claire pour vous. Et je vous serais fort obligé d'en entretenir Lord

Cromer. S'il acceptait mon idée, il aura, j'en suis sûr, la complaisance d'écrire dans ce sens à l'Amirauté, ce qui sera du plus grand poids.

Comme Lord Cromer m'a souvent demandé où nous mettrions l'Amirauté Française, je tiens à dire que, de même qu'elle est aujourd'hui derrière l'Amirauté Anglaise, de même notre pensée serait de la placer à l'extrémité du bassin Chérif. Je tiens à dire aussi que, comme dans l'ancien terrain, l'Amirauté Anglaise deviendrait propriétaire du quai qui est devant ses bâtiments et donne sur le canal. Sur le bassin, nous garderions un quai de 10 mètres pour le service du port, mais il en était ainsi sur le terrain à céder par l'Amirauté.

No. 32.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 3.)

(No. 22.)

My Lord,

Cairo, February 21, 1902.

I HAVE the honour to submit my Report on the progress made in the various Administrative Departments of the Egyptian Government during the year 1901. The affairs of the Egyptian Government are detailed in a separate despatch.

Accounts for 1901.

The estimates for the year 1901 were as follows:—

Revenue	..	..	..	..	..	..	..	£ E.*
Expenditure	..	..	..	..	..	..	..	10,700,000†
Surplus	..	..	..	..	..	..	..	10,636,000
								64,000

The accounts show, in round numbers, the following results:—

Revenue	..	..	..	..	..	..	..	£ E.
Expenditure	..	..	..	..	..	..	..	12,160,000†
Surplus	..	..	..	..	..	..	..	11,396,000
								764,000

The revenue was, therefore, £ E. 1,160,000 in excess of the estimates.

The excess appears under every head of account. For instance, customs, £ E. 412,000; tobacco, £ E. 221,000; octroi, £ E. 39,000; salt, £ E. 10,000; fisheries, £ E. 12,000; stamps and registration, £ E. 4,000; railways, £ E. 222,000; telegraphs, £ E. 8,000; port of Alexandria, £ E. 37,000; Post Office, £ E. 23,000; light dues, £ E. 18,000; judicial fees, £ E. 187,000; interest, £ E. 31,000; redemption of military service, £ E. 64,000; miscellaneous, £ E. 64,000; and rent of Government lands, £ E. 16,000.

From the figures given above, it would appear as if the expenditure had exceeded the estimates by £ E. 760,000. The increase, however, is mainly due to the fact that, owing to the large excess of revenue over the estimates, the amount paid to the Caisse de la Dette, to be credited to the General Reserve Fund, was larger by £ E. 658,000 than was anticipated. The real excess over the estimates was, therefore, only £ E. 102,000. This is almost wholly accounted for by the excess in the expenditure of the Railway Administration, which shows an increase of £ E. 100,000 over the estimates, due to increased traffic.†

The net financial result of the year is that the surplus exceeded the estimate by £ E. 700,000.

* £ E. 1 = 12. 0s. 6d.

† Both the estimates and accounts include, on the revenue side, a grant of about £ E. 216,000 made by the British Government.

On this subject, the remarks under the heading "Railways."

I should mention that on the expenditure side of the account the following items appear:—

						£ E.
Conversion economies	..	..	..	..	..	265,000
Payment to General Reserve Fund	..	..	..	..	..	1,143,000
Total	..	..	..	..	..	1,408,000

If from the revenue side of the account is deducted the grant of £ E. 216,000, made by the Caisse de la Dette, and if from the expenditure side of the account is deducted the figure of £ E. 1,408,000, given above, the figures of the past year would stand as follows:—

						£ E.
Revenue	..	..	..	..	..	11,944,000
Expenditure	..	..	..	..	..	9,988,000*
Surplus	..	..	..	..	..	1,956,000

These latter figures represent the true financial position of the Egyptian Treasury. Were it not for the peculiar system imposed by the international obligations of the Egyptian Government, the accounts of last year, after providing for administration, interest on debt, sinking fund to the extent of £ E. 64,000, and Soudan expenditure to the extent of £ E. 417,000, would still show a surplus of little less than £ E. 2,000,000.

General Reserve Fund.

On the 31st December, 1900, a sum of £ E. 3,529,000 stood to the credit of the General Reserve Fund.

During the course of the year £ E. 1,760,000 was paid, under various heads of account, into the fund.

On the other hand, payments from the fund were made to the extent of £ E. 1,494,000. Of this amount £ E. 131,000 was in the nature of advances, which will eventually be repaid.

The net result of these operations is that the balance standing to the credit of the fund on the 31st December, 1901, amounted to £ E. 3,795,000.

Of this amount £ E. 2,839,000 is pledged to expenditure of various sorts, thus leaving an unpledged balance of £ E. 956,000.

Special Reserve Fund.

This fund is, it will be remembered, entirely at the disposal of the Egyptian Government.

On the 31st December, 1900, a sum of £ E. 809,000 stood to the credit of the fund.

During the course of the past year £ E. 765,000 was paid into the fund.

On the other hand, payments amounting to £ E. 287,000 were made from the fund.

The net result of these operations is that, on the 31st December, 1901, a sum of £ E. 1,287,000 stood to the credit of the fund.

Of this amount £ E. 567,000 is pledged to future expenditure, mainly in the Soudan, thus leaving an unpledged balance of £ E. 720,000. I should observe that the money spent on railways, telegraph extension, barracks, &c., in the Soudan, is treated as an advance repayable at some future date.

Conversion Economies.

On the 31st December, 1900, a sum of £ E. 1,002,000, representing the Conversion Economies, had been invested by the Commissioners of the Debt.

The amount invested on the 31st December, 1901, was £ E. 1,185,000.

* In this figure is included a sum of £ E. 64,000, being the sinking fund of the Guaranteed Debt

The Conversion Economies, therefore, were increased by £ E. 183,000 during the course of the year.

I gather, from comments which I occasionally read in the British press, that some little misapprehension prevails as to the position of the "Caisse de la Dette" in respect to the large funds which they administer. I take, therefore, this opportunity of stating how the case really stands.

Few impartial people would, I conceive, be found to defend the financial system with which the "Caisse de la Dette" is identified. There cannot be a doubt that that system is very defective. The Commission of the Debt was, in fact, created to deal with a condition of affairs which has long since ceased to exist. But I wish to point out that the main defects of the system, such as the arbitrary limit imposed on administrative expenditure, the low restriction placed on the working expenses of the Railway, the impossibility of keeping open a Railway Capital Account, and the accumulation of the Conversion Economies, are organic defects for which the Commissioners of the Debt themselves are in no degree responsible. They have to administer the law as it stands. They are powerless to change it. I wish, moreover, to state that, within the latitude which is allowed to them by law, the Commissioners of the Debt have recently done their utmost to mitigate the evil effects of the system. For some while past, the most friendly relations have existed between the Egyptian Government and the Commissioners.

The principle, on which I always strongly insisted when I was myself a Commissioner, that the interests of the bondholders and those of the Egyptian people are identical, seems to have been more fully recognized than heretofore. Liberal grants have been made from the Reserve Fund for the construction of public works, and, generally, a disposition has been shown to consider any proposals made by the Government in a very friendly and conciliatory spirit.

Whilst on this subject, I may mention that perhaps the feature of the present system which from a financial point of view, is the least capable of any rational defence is that under which the economies resulting from the conversion of the preference stock in 1889-90 are allowed to accumulate in a special fund. I have pointed out on previous occasions that the practical result of this plan is to create a bad form of sinking fund. The Government buys its own stock at a premium, and, to a certain extent, aids in maintaining an artificial price. For the moment, an adventitious circumstance prevents the full effects of the system from being felt.

Some little while ago it was decided, with the consent of the Powers, to issue 1,800,000*l.* of preference stock, the proceeds of which are being employed on railway improvement. Up to the end of 1900 stock to the extent of 996,000*l.* had been issued, but none of this was placed on the market. It was taken up by the Commissioners of the Debt, on account of General Reserve Fund and Conversion Economies investments. When, however, the whole of this stock has been issued, purchases of stock in the open market must, I conceive, be resumed. The Conversion Economies, which, as I have pointed out above, amounted to £ E. 483,000 in 1901, will increase every year. The money accumulates at compound interest. It is easy to foresee that, if the present system is allowed to continue, a situation will eventually be created which will be little short of absurd.

*Egyptian Debt.**

On the 31st December, 1900, the outstanding capital of the Egyptian Debt amounted to 103,710,000*l.*, of which 7,273,000*l.* was held by the Commissioners of the Debt, leaving a balance of 96,437,000*l.* in the hands of the public.

Debt to the extent of 445,000*l.* was paid off during the past year, of which 77,000*l.* was Guaranteed Stock, 268,000*l.* Domains, and 100,000*l.* Daïra.

On the 31st December, 1901, the outstanding capital of the Debt amounted, therefore, to 103,265,000*l.*, of which 8,265,000*l.* was held by the Commissioners of the Debt,† thus leaving a balance of 95,000,000*l.* in the hands of the public.

* The figures dealing with the capital of the Debt are given in sterling, not in Egyptian currency.

† The Commissioners also hold Unified and Preference Stock to the amount of 379,000*l.*, to meet charges for law-suits which, at the time of the Law of Liquidation in 1880, were pending against the Government. It is certain that these claims will eventually be settled for a sum far inferior to that which is held in order to cover them.

I may mention that in 1888, that is to say, prior to the conversion of the Preference Stock, the capital of the Debt amounted to 103,028,000*l.* The whole of this amount was held by the public. The conversion, although it diminished the charge on account of interest, naturally added to the capital. In 1891 the Debt rose to its maximum figure, namely, 106,802,000*l.*, of which 1,193,000*l.* was held by the Commissioners of the Debt, leaving 105,609,000*l.* in the hands of the public. Since that time it has been steadily diminishing. It will be seen that, in spite of a recent issue of 996,000*l.* fresh Preference Stock, the total outstanding capital on the 31st December, 1901, viz., 103,265,000*l.*, is only very slightly (237,000*l.*) in excess of that in 1888, prior to the conversion, viz., 103,028,000*l.* Moreover, if the amount now held by the Commissioners of the Debt, viz., 8,265,000*l.*, be deducted, there has been an absolute reduction of debt, compared to 1888, of no less than 8,028,000*l.*

The charge on account of Interest and Sinking Fund amounted, in 1888, to £ E. 1,251,000. On the 31st December, 1901, it amounted to £ E. 3,850,000 on the total outstanding capital, and to only about £ E. 3,561,000 on the capital in the hands of the public. The real reduction in the interest-charge since 1888 amounts, therefore, to £ E. 690,000 a-year.

Estimates for 1902.

For several years successively, the Egyptian revenue has been considerably in excess of the estimates. Under the special conditions which existed in this country, cautious estimates were not only justifiable but absolutely necessary. As Mr. Gorst has pointed out in his note on the Budget for the current year, it was essential to ascertain by experience whether the growth of revenue was based on any abnormal or precarious conditions, or whether, on the other hand, it was the natural result of an increase in the wealth of the country. More than this, until the value of the irrigation works, which have been in course of construction for some years past, had been thoroughly tested, it was difficult to state with confidence what financial results might be produced by a failure of the ordinary Nile flood. Various circumstances, to which I need not allude in detail, point to the conclusion that a steady and progressive increase of the revenue may now be confidently anticipated. In every direction there are signs that the wealth of the country is growing. The real value of the irrigation works has been attested by the experience of 1899, when, in spite of an exceptionally low Nile, the harvests were abundant. Moreover, the completion of the dams at Assouan and Assiout affords an additional guarantee against drought. Under these circumstances, the caution exercised in framing the estimates during the last few years may, to a certain limited extent, be relaxed. In spite of a remission of taxation to the amount of £ E. 60,000, and of the fact that, as a result of the operations of the cadastral survey, a loss of £ E. 25,000 is anticipated, the revenue of 1902 has been estimated at £ E. 360,000 in excess of that of 1901.

The figures of the Budget are as follows:—

								£ E.
Revenue	..	..	..	..	..	..	..	11,060,000
Expenditure	..	..	..	..	..	..	..	10,850,000
Surplus	..	..	..	..	..	..	..	210,000

I have little doubt that, in spite of the relatively liberal estimate which has been made of the revenue, the surplus of the year will be considerably in excess of the figure given above. On the other hand, it is to be borne in mind that the Egyptian Treasury will shortly have to commence payment of the annuity due for the construction of the Nile reservoirs. This annuity amounts to about £ E. 160,000, but, as I have frequently explained in former Reports, for every 1*l.* added to the administrative expenditure, another 1*l.* has to be paid to the Caisse de la Dette. The additional charge on the Egyptian Treasury will, therefore, amount to the double of £ E. 160,000, that is to say, to £ E. 320,000. That this charge can be met with ease I do not doubt, but the fact that provision has to be made for so large a sum in the near future affords an ample justification for not moving further at present either in the direction of remitting taxes or of increasing expenditure.

In the figure of £ E. 11,060,000, given above as the estimate of revenue for the current year, is included a sum of £ E. 216,000, which, under an arrangement made some years ago in connection with a reduction of the land tax, the Commissioners of the Debt agreed to pay for a term of years from the General Reserve Fund.

On the other hand, the expenditure figure, viz., £ E. 10,850,000, includes the following items:—

								£ E.
Redemption of Debt	..	..	..	..	..	..	..	66,000
Conversion Economics Fund	..	..	..	..	..	..	..	265,000
General Reserve Fund	..	..	..	..	..	..	..	619,000
Total	..	..	..	..	..	..	..	950,000

Thus, if Egypt were not hampered by the peculiar system of accounts and estimates imposed by its international obligations, the figures of 1902 would stand as follows:—

								£ E.
Revenue	..	..	..	..	..	..	..	10,844,000
Expenditure	..	..	..	..	..	..	..	9,900,000
Surplus	..	..	..	..	..	..	..	944,000

It follows that, on estimates which may still be characterized as very cautious, a surplus of nearly a million is, or, perhaps, I should say, ought to be, available either for increasing expenditure or for the relief of taxation.

I proceed to state the principal changes which have been made in connection with the Budget of the current year.

I mentioned in my Report of last year that the navigation dues on the Nile had been abolished. A small fee was, however, levied on all boats moving from one station to another. It only realized a revenue of £ E. 1,200 a-year, and was, without doubt, a source of annoyance to the owners of boats. It has now been abolished.

A few years ago an octroi duty was levied, not only in the towns, but in many of the villages throughout Egypt. It is a bad form of raising revenue. I fully concur in the following remarks, which I quote from Mr. Gorst's note: "The octroi duty," he says, "is levied equally on all articles of consumption, including the necessaries of life, and therefore presses unduly upon the poorest classes of the population. Moreover, there is no tax among those at present existing in this country, where the prevention of fraud and removal of abuses are attended with so much difficulty."

The first step taken in the direction of reform in this matter was to abolish the octroi in the villages. At a subsequent period it was abolished in the small provincial towns. It has now been decided to abolish it in the eleven provincial towns in which, until recently, this duty was still levied. This measure involves a loss of gross revenue to the extent of £ E. 60,000, but, owing to the abuses to which, as I have already mentioned, this method of collecting revenue was particularly liable, the relief to the taxpayers will probably be considerably in excess of this sum. On the other hand, the loss to the Egyptian Treasury will be only £ E. 45,000, for the cost of collection was £ E. 15,000, or no less than 25 per cent. of the gross revenue—a figure which, I may observe, is by itself almost sufficient to condemn the system.

The octroi duty is, therefore, now abolished everywhere save at Cairo and Alexandria. The net revenue collected at Cairo amounts to about £ E. 150,000; that at Alexandria to about £ E. 50,000. The Alexandria Municipality, at whose disposal the octroi revenue collected at that town is placed, has recently made certain proposals with a view to the abolition of the duty on corn and meat, and the substitution of other taxes in its place. These proposals are now under consideration, but it will not improbably be found advisable to make no change at present.

The following are the principal changes introduced on the expenditure side of the estimates.

The grant to the Ministry of Public Instruction has been increased by £ E. 5,500. It is estimated that some changes recently made in the fees payable at the Primary schools will increase the revenue by £ E. 13,500. Thus an additional sum of £ E. 19,000 will be available for educational purposes.

The Sanitary Department receives an additional grant of about £ E. 5,000, in order to provide for improved inspection in the provinces, and the establishment of a Veterinary School.

The grant to the Prisons Department has been increased by £ E. 5,000, to provide for the food and clothing of prisoners.

Fresh credits, to the extent of £ E. 10,000, have been accorded to the Ministry of Justice to enable various improvements in the judicial system to be effected.

The Public Works Department receives an additional £ E. 8,000 for various services, such, for instance, as the lighting and maintenance of the streets of Cairo and Port Saïd.

As the result of various changes in the Coast-guard Service, an economy of £ E. 4,300 is effected.

The Telegraphs and Post Office receive additional grants of £ E. 6,000 and £ E. 4,500 respectively, in order to enable these services to be extended and improved.

The expenditure on pensions has been reduced by £ E. 18,000. This reduction is due to commutations.

One Soudanese battalion has been disbanded, and the camel-transport companies have been abolished. The military expenditure has thus been reduced by £ E. 29,000.

The net result of these, and of some other changes, the details of which are given in Mr. Gorst's note, is that the estimated expenditure for 1902 is £ E. 77,000 in excess of that of 1901. It is greatly to the credit of the Financial Department that it has been found possible to carry out the various administrative reforms, to some of which allusion is made above, at such small additional cost.

The Soudan.

The total charge borne by the Egyptian Treasury on account of the Soudan amounted, in 1901, to £ E. 417,000. The Estimates for 1902 provide for a diminution of this charge by £ E. 27,000. The total amount borne, under this head, by the Egyptian Budget for 1902 is £ E. 390,000, distributed as follows:—

								£ E.
Civil ..	..	..	..	..	..	..	..	267,000
Military ..	..	..	..	..	..	..	..	123,000
Total ..	..	..	..	..	..	..	..	390,000

I should add that, in reality, the Soudan costs the Egyptian Government less than the figure given above. About £ E. 43,000 is collected at Egyptian ports on account of duty on goods destined for the Soudan. This amount is credited to the Egyptian Treasury.

Summary of the Financial Situation.

The financial position of the Egyptian Government, on the 31st December, 1901, may be summarized as follows:—

The revenue of 1901, including a grant of £ E. 216,000 from the Caisse de la Dette, amounted to £ E. 12,160,000. This is the highest figure on record.

The expenditure of 1901, after devoting £ E. 64,000 to sinking fund, and after paying £ E. 1,408,000 to the General Reserve and Conversion Economies Funds, amounted to £ E. 11,396,000.

There was, therefore, a surplus of revenue over expenditure, in 1901, amounting to £ E. 764,000.

The balance to the credit of the General Reserve Fund, on the 31st December, 1901, was £ E. 3,795,000, of which £ E. 2,839,000 was pledged to future expenditure.

The balance to the credit of the Special Reserve Fund, on the 31st December, 1901, was £ E. 1,287,000, of which £ E. 567,000 was pledged to future expenditure.

The accumulated economies arising from the conversion of the preference stock in 1889 amounted, on the 31st December, 1901, to £ E. 4,485,000.

The outstanding capital of the Egyptian debt amounted, on the 31st December, 1901, to 103,265,000*l.* Of this amount, 8,265,000*l.* was held by the Commissioners of the debt, thus leaving a balance of 95,000,000*l.* in the hands of the public.

The revenue of 1902 is estimated at £ E. 11,060,000, and the expenditure at

£ E. 10,850,000, thus leaving an estimated surplus of £ E. 210,000. It is probable that this surplus will be exceeded.

The Soudan charge, military and civil, on the Egyptian Treasury amounted, in 1901, to £ E. 417,000. The estimated charge for 1902 is £ E. 390,000.

The most satisfactory features of the Egyptian financial are (1) that the revenue is steadily growing; and (2) that the growth of expenditure is far less rapid than that of revenue.

I give below the figures of revenue since 1890:—

								£ E.
1890 ..	..	..	..	..	..	..	..	10,237,000
1891 ..	..	..	..	..	..	..	..	10,539,000
1892 ..	..	..	..	..	..	..	..	10,297,000
1893 ..	..	..	..	..	..	..	..	10,242,000
1894 ..	..	..	..	..	..	..	..	10,161,000
1895 ..	..	..	..	..	..	..	..	10,431,000
1896 ..	..	..	..	..	..	..	..	10,694,000
1897 ..	..	..	..	..	..	..	..	11,093,000
1898 ..	..	..	..	..	..	..	..	11,132,000
1899 ..	..	..	..	..	..	..	..	11,200,000
1900 ..	..	..	..	..	..	..	..	11,447,000
1901 ..	..	..	..	..	..	..	..	11,944,000

During the period covered by these figures taxes to the extent of £ E. 1,408,000 per annum have been remitted. The salt tax has been reduced by 40 per cent. The postal and telegraph rates have been reduced by 50 per cent. Large reductions have been made in the railway rates. The only increase of taxation has been in the tobacco duty, which has been raised from P. T. 14 to P. T. 20 per kilogram. The house tax has also been imposed upon European residents in Egypt.

In spite of these changes, it will be seen that, during the twelve years from 1890 to 1901, both inclusive, revenue has increased by £ E. 1,707,000. This fact is most encouraging for the future.

During the same period the expenditure has been as follows:—

								£ E.
1890 ..	..	..	..	..	..	..	..	9,590,000
1891 ..	..	..	..	..	..	..	..	9,607,000
1892 ..	..	..	..	..	..	..	..	9,552,000
1893 ..	..	..	..	..	..	..	..	9,555,000
1894 ..	..	..	..	..	..	..	..	9,470,000
1895 ..	..	..	..	..	..	..	..	9,421,000
1896 ..	..	..	..	..	..	..	..	9,605,000
1897 ..	..	..	..	..	..	..	..	9,709,000
1898 ..	..	..	..	..	..	..	..	9,800,000
1899 ..	..	..	..	..	..	..	..	9,929,000
1900 ..	..	..	..	..	..	..	..	9,895,000
1901 ..	..	..	..	..	..	..	..	9,924,000*

It will be seen, therefore, that, during the twelve years under review, the expenditure has only increased from £ E. 9,590,000 to £ E. 9,924,000, that is to say, by £ E. 334,000.

The working expenses of the railway, which naturally grow with the increase of revenue, more than account for the difference between the total figures of 1890 and 1901 respectively. In 1890 the working expenses were £ E. 610,000. In 1901 they were £ E. 1,057,000. There has, therefore, been an increase under this head, in twelve years, of £ E. 447,000. This is £ E. 113,000 in excess of the total increase of expenditure under all heads.

During this period improvements, involving large extra expenditure, have been effected in every department of the State. Moreover, it has recently been necessary to provide for a heavy annual charge on account of the Soudan. Nevertheless, it has always been found possible to compensate for increased expenditure in some directions by economies effected in other directions. I should add that, so far from efficiency having been sacrificed to economy, I entertain a strong opinion that the efficiency of every branch of the service has been greatly enhanced by the steady and constant check which has been maintained by the Financial Department on any tendency to extravagance.

* From this figure are, of course, excluded the payments on account of Sinking Fund (£ E. 64,000), General Reserve Fund (£ E. 1,143,000), and Conversion Economies Fund (£ E. 265,000).

Indebtedness of the Fellaheen.

I have explained in my previous Reports that the distinctive feature of the Egyptian plan for dealing with this interesting and important subject is that a certain amount of co-operation is established between the Government and the National Bank. The Bank makes the advances, and incurs the whole financial responsibility of the undertaking. The Government, through the agency of its tax-gatherers, collects the money due to the Bank at the same time as the land tax. Thus, the Bank, being relieved of the necessity of maintaining an expensive staff of subordinates, is able to advance money to the peasantry at a relatively low rate of interest.

From October 1900 to September 1901, 18,191 advances, amounting altogether to £ E. 276,100, were made. Of these, 13,030, amounting to an aggregate of £ E. 78,400, were loans repayable within the year. The remaining 5,161 advances, amounting in all to £ E. 197,700, were loans repayable in five years. Of the 13,030 loans repayable within the year, more than half, namely, 7,427, were for sums below £ E. 5; the total number of advances below £ E. 10 was 10,116. Of the 5,161 loans repayable in five years, more than half (2,604) were for sums not exceeding £ E. 20. These figures clearly show that the main object of the scheme has been attained: assistance has been given to small proprietors.

Since the Bank commenced making these loans in 1899, over 34,000 loans have been contracted; relief has, therefore, been afforded to an equivalent number of small proprietors. There are now 15,269 loans outstanding, for an aggregate amount of £ E. 402,000; of these, 3,326 are repayable within the year, and 11,943 repayable in five years.

The amount that fell due in 1901 was £ E. 146,000. This sum was due from over 21,000 borrowers. The whole amount, with the exception of £ E. 600, had been recovered on the 31st December last, and the small sum still owing will probably be collected this year.

The objection to the plan adopted in Egypt is that the class of operation involved is more properly the work of a Land Bank than of an ordinary bank. The National Bank of Egypt cannot reasonably be expected to lock up more than £ E. 400,000 of its capital in undertakings of this nature. For the moment, the difficulty has been met by the Government advancing £ E. 250,000 to the Bank. This will, at all events, enable the operations to continue for the time being. Whether any more complete change of system will be necessary must be a matter for subsequent consideration. There can, I venture to think, be no question of abandoning the experiment, which has so far proved eminently successful. There can be no doubt that the Egyptian fellaheen begin to realize the advantages of getting money at a moderate rate of interest, and that they are willing to take the opportunity now afforded to them of shaking themselves free from the grip of the village usurers. From all I hear, I do not doubt that it would be quite possible, were the capital available, to extend very considerably the operations of the Bank. But in a matter of this sort it is as well to move slowly, more especially as careful supervision is an essential element to the attainment of the object in view. I think, therefore, that for the time being it is not necessary to arrange for any more extended operations than those which may be covered by the additional £ E. 250,000 which the Government has advanced to the Bank.

I have, in previous Reports, mentioned that the real test of success which should eventually be applied to the experiment, which has now been going on for three years, is whether the fellaheen will, or will not, use the advantages offered them to incur fresh debts. It is naturally difficult to obtain precise information on this subject. Moreover, sufficient time has not elapsed to enable the experiment to have a fair trial. So far, however, as I have been able to judge, the alleged irredeemable extravagance of the fellaheen has, as I anticipated would be the case, been greatly exaggerated. Up to the present time, the number of those who have used their improved credit in order to incur fresh debt has, to the best of my belief, been very small.

Post Office Savings Banks.

On the 1st March, 1901, Postal Savings Banks were opened at twenty-seven first-class post-offices. The rate of interest allowed is 2½ per cent per annum. The deposits are limited to £ E. 50 in one year, and to a total of £ E. 200.

The sum deposited from the 1st March to the 31st December was £ E. 87,000, and

the amount withdrawn, £ E. 39,000, thus leaving a balance of £ E. 48,000, due to depositors at the end of the year.

The total number of depositors was 6,740, of whom 4,197 were Egyptians and 2,543 foreigners. Of the foreigners, 1,274 were Italians, 390 British, 373 Greeks, 227 French, 145 Austrians, 48 Germans, and the remainder of other nationalities.

It will not be without interest to state the various professions to which the depositors belong:—

Government officials	1,339
Magistrates	13
Sheikhs	18
Clergy	13
Soldiers and sailors	138
Merchants	505
Manufacturers	84
Farmers	38
Authors and journalists	28
Liberal professions	395
Schoolmasters, &c.	120
Students	292
Merchants' clerks	1,285
Workmen	858
Servants	398
Children	721
Miscellaneous (without professions)	484
Benevolent Institutions, &c.	10
Total	6,740

On the whole, I think it may be said that so far the experiment of establishing Savings Banks has proved as successful as could reasonably have been expected. It is clear, however, from the classification of the depositors which is given above, that the rural population generally have not as yet availed themselves of the facilities for investment now offered by the Government. This may, to some extent, be due to the fact that the existence of the Savings Banks is as yet only partially known throughout the country. But another, and possibly more serious, obstacle which stands in the way of success is the feeling which exists amongst Mohammedans generally against investments of this nature. During the course of last year, 390 depositors, all Mohammedans, renounced the interest on their deposits.

The large number of Italian investors is probably due to the fact that a great many Italians have recently been employed by Messrs. Aird on the works in progress at Assouan and Assiout.

Domains Administration.

Land to the extent of 13,764 acres was sold in the course of last year. Out of this area, 10,602 acres were sold in small lots averaging 60½ acres. The remainder (3,162 acres) was sold in two large lots. The average price realized per acre on the small lots was 24l. 16s., and on the two large lots, 19l. 15s.

The estimated value of the whole of the land sold was 219,049l., but the prices realized at the sales by auction amounted to 326,153l., or 107,104l. (49 per cent.) more than the valuation. Mr. Gibson, the British Commissioner of the Domains, remarks: "These high prices were due, partly to the sudden rise in the price of cotton in the year 1900, and partly to the extension of the system we adopted in the previous year, of selling the land in small lots. The subdivision of the land enabled small local proprietors, who cultivate land by their personal labour, to compete at the auctions successfully with the larger capitalists, who invest money in land with the object of letting, or cultivating it by hired labour." I have, for a long time past, persistently advocated the adoption of the system of selling in small lots, as I was desirous to see the land return into the hands of the peasant proprietors. I am glad to note that it appears to have produced satisfactory results.

The area of land still remaining in the hands of the Commissioners on the 31st December, 1901, was 165,051 acres, valued at 3,330,154l.

At the same date, the outstanding capital of the loan, which originally (i.e., in 1879) amounted to 8,500,000l., was 2,630,060l.; this amount, however, includes a sum of 500,777l. due on account of land already sold and delivered, and which is payable

by instalments extending over periods varying up to fifteen years. The outstanding capital, therefore, amounts in reality to only 2,129,283*l*.

From these figures it is clear, unless something should occur to bring about a heavy fall in the value of land in Egypt, not only that the debt is amply guaranteed, but also that, when it is completely liquidated, a considerable area of land will revert to the Government.

Only a small portion of the estates are cultivated direct by the Administration. During the year 1901, 128,386 acres were leased, at a rental of 130,906*l*. Practically the whole of the rent was collected. Of the total area leased, about one-third is waste land. This accounts for the apparently low average rental per acre.

The Domains surplus for the past year will probably amount to about 43,000*l*.

Further experiments have been made by this Administration in the cultivation of Indian wheat. Out of a total area of 6,529 acres sown with wheat, 4,559 acres, or about 70 per cent., were cultivated with this variety. The yield of Indian wheat was at the rate of about 32 bushels, against 22 bushels per acre of native wheat.

Daïra Administration.

The accounts for the year 1901 have not yet been closed, but it is certain that there will be a surplus of receipts over expenditure of not less than £ E. 60,000.

During the past year Daïra bonds to the extent of about 100,000*l*. were redeemed, thus reducing the total outstanding capital of the debt to about 6,017,000*l*.

Crookshank Pasha, writing to me on the 22nd January, says:—

"The good results of the land improvements carried out in 1900 and 1901 are now beginning to have effect, and the rents for 1902, although the acreage of land has been sensibly reduced by sales, have increased by £ E. 45,000. The rental payable for 1902 is no less than £ E. 686,000, and I fully expect that by 1905, when all the improvements now in hand are completed, the yearly rent-roll will exceed £ E. 800,000.

"Amongst other improvements carried out in 1901 may be mentioned the sale of nearly all our ploughing cattle, and replacing them by Messrs. Fowler and Co.'s latest improved steam ploughs and ridging machines, all of which have produced the best results and given the greatest satisfaction to our tenants.

"By the expenditure of £ E. 60,000 in the purchase of pensions, the yearly pension credit for 1902 has been reduced by nearly £ E. 6,000.

"The financial prospects for the year 1902 are very bad, and unless the sugar market improves considerably in the next few months (which is most improbable, with the increased production in Cuba and the maintenance of the bounty system in France and Germany), the Administration will possibly wind up the year with a deficit.

"Since 1877 the lowest price ever obtained for Daïra sugar was P. T. 43 $\frac{3}{4}$ per kantar* in 1895, which resulted in a deficit of the Daïra account of more than £ E. 100,000. At the present moment, when usually we have already disposed of half our new stock, we have sold nothing, the only offer we have had being at P. T. 33 per kantar, each piastre per kantar representing a difference of £ E. 11,250.

"Further administrative economies have been decided on, and, by the strictest economy in every branch of expenditure, and the careful development of every source of income, I hope we may satisfactorily tide over this crisis in the sugar industry."

Railways.

The net earnings of the railways in 1901 amounted, according to the published accounts, to about £ E. 1,222,000,† being £ E. 56,500 in excess of those of 1900. Owing, however, to a change in the form of accounts during 1900, this comparison is misleading. The real increase in the profit actually made is at least £ E. 150,000.

* 1 kantar = 99·05 lbs.

† Exclusive of the Keneh-Assouan line.

River competition, which was to be anticipated on the abolition of the navigation dues, formerly payable on the Nile traffic, does not, so far, appear to have affected the railway receipts. It is, however, capable of further development. It would, therefore, be premature to express an opinion on this subject for the present.

It has been found impossible to keep down the working expenses of the railways to the limit of 45 per cent. of the gross receipts, which is imposed by the Law of Liquidation. I have frequently alluded to the radical defects in the system under which the Egyptian railways are administered. Of these, one of the most notable is the endeavour to impose by law a low limit to the working expenses. Negotiations are now in progress with a view to the removal of this artificial restriction. It is greatly to be hoped that they will lead to some satisfactory result.

Another serious defect is that no convenient method has been provided for keeping open the capital account. The arrangements made with the Commissioners of the Debt have, however, partially, but also, I should add, only temporarily, mitigated this evil.

£ E. 440,000 was spent last year in purchasing rolling-stock, improving the permanent way, &c. A programme of new works for the current year has been authorized by the Commissioners of the Debt. It includes the doubling of the Upper Egypt line as far as Wasta.

I annex to this despatch (Inclosure 1) an interesting Memorandum, prepared by Major Johnstone, the President of the Railway Board, explaining how the contracts of his Department were placed during the past year.

A good many complaints in connection with the administration of the railways appear from time to time in the local press. I frequently make personal inquiries as to the justice of these complaints, and I always find that the Railway Board are most anxious to do their utmost to remedy any proved defects. As usually happens in these matters, some complaints are exaggerated, but others are legitimate. The travelling and mercantile public naturally only look to results. They can scarcely be expected to understand fully the special circumstances which hamper the administration of the railways in this country. Neither can they be expected to appreciate the fact that much which is laid to the fault of the Board is really due to the faulty system which the Board is obliged to administer.

I cannot in this Report enter into very full detail, but I may allude briefly to one or two of the principal points which have formed the subject of complaint. It will be seen that, in connection with each of these points, considerable improvement has already taken place, though, in most directions, it cannot yet be said that the arrangements are by any means perfect.

The first point to which I wish to allude is the want of goods waggons. I have on former occasions pointed out that, mainly owing to the very defective system which precluded capital expenditure, the Railway Administration failed to keep pace with the growing prosperity of the country. Nowhere was this more apparent than in the very inadequate provision of rolling-stock. The inevitable result ensued. A moment came when the whole trade of the country was hampered by the impossibility of moving the large quantity of goods awaiting transport. Great and successful efforts have been made, within the last two or three years, to cope with this evil. In 1899, only one out of every five trucks, for which application was made,* could be supplied. In 1900, the proportion was one out of three. In 1901, I am informed that ten out of eleven trucks were, on the average, supplied on the day on which they were asked for.

"We have now, I think," Major Johnstone writes, "enough waggons for all ordinary purposes, except in the case of covered waggons, and our stock of these latter has been largely increased."

Next, there has been a considerable improvement in the time taken by goods in transit.

* It should be noted that, as a proportionate distribution was to some extent made, merchants often applied for a considerably larger number of trucks than they could have used.

I give below the figures of up-traffic for 1900 and 1901 on the Upper Egypt line:—

					1900.	1901.	Saving.
					Hours.	Hours.	Hours.
Luxor to Alexandria (Gabari), 542 miles ..	..				73½	63½	10
Sohag to ..	..	416	..	..	55	50½	4½
Minieh to ..	..	278	..	..	36½	29½	6¾

Perishable and urgent goods travel considerably faster. Through goods from Alexandria to Assouan are, for instance, timed to reach Luxor in thirty-two hours.

As regards the punctuality of the trains, I regret that I am unable to give full statistics. It appears, however, that, in November 1900, 12½ per cent. of the ordinary trains were twenty minutes or more late in arriving. In November 1901, the proportion was only 3½ per cent.

The following figures, as regards the express trains running between Cairo and Alexandria, are also of some interest:—

November 1899 ..	..	..	..	..	36 per cent. over 10 minutes late.
" 1900 ..	..	..	..	..	25 "
" 1901 ..	..	..	..	..	10 "

Manifestly, the unpunctuality tends to diminish; but there is still much room for improvement in this direction. A good deal is, however, due to unavoidable causes, such as high winds and the delays caused by repairs to the line.

The following remarks, written by Major Johnstone, refer to some Hungarian carriages which were recently ordered by the Railway Administration, and which have formed the subject of some adverse criticism:—

"The new corridor carriages were built by the Hungarian Waggon and Machine Company at Raab. It was Mr. Trevithick's first attempt at designing bogie carriages, and the manufacturers had no previous experience of constructing woodwork for this climate. It was inevitable that there should be a certain number of minor defects in the carriages under these circumstances, and such is the case; but the firm appears to have spared neither money nor trouble to give us satisfaction, and both Mr. Trevithick and Colonel Western did all in their power to contribute to this result. It is too early to report definitely whether the carriages will prove satisfactory, as they require various small alterations, and have not been at work long enough to show how they stand wear and tear. They are, I think, good carriages, but they need to be modified in various details to suit the peculiar conditions of this country, as has also been the case with carriages built in England. The goods waggons supplied by the Hungarian firm also gave some trouble at first; but the principal defects have been discovered and remedied. In this case the defects were due to precisely the same cause as in the carriages, viz., want of experience in this particular class of waggon. The material and workmanship compare favourably—especially the workmanship—with the waggons obtained from the United States, and the designs are satisfactory. Both carriages and waggons suffer from one defect—they are heavy. The Hungarian Company point to the weight as evidence of their solidity, and no doubt our American contractors went to the opposite extreme in the waggons they supplied; but I should like to see whether a good British firm could not give us the strength of the Hungarian work with something like the lightness of the American."

Many of the passenger carriages, particularly those of the third class, are in a bad condition; fifty new third class carriages are, however, in course of construction, and tenders will probably be invited before long for an additional 100. The number of carriages is also insufficient.

A good deal has been done in the direction of improving the permanent way, but there are still sections on some of the branch lines which can scarcely be characterized as safe.

The system of signals, which was defective, is about to be improved. About £ E. 35,000 will be spent during the current year on appliances intended to insure safety.

On the whole, I think it may fairly be said that the Railway Administration is steadily improving.

Keneh-Assouan Line.

The traffic on this line during the last three years has been so largely affected by the reservoir works that it affords little guidance as to the probable traffic in the future. A satisfactory feature is that the goods traffic northwards, from Shellal to Luxor, increased from 2,823 tons in 1900 to 7,933 tons in 1901. This is due to the export of gum from the Soudan.

£ E. 90,000 has been granted to repair the line, which is liable to constant interruption from floods. The expenditure of a far larger sum would, however, be necessary to place the line in a thoroughly satisfactory condition.

Agricultural Railways.

There are now 632 miles of narrow-gauge railway open to traffic in Egypt. Until recently, these were owned by four different Companies, viz.:—

1. The "Chemins de Fer Économiques;"
2. The Delta Light Railways;
3. The Mansourah-Matarieh Company; and
4. The Fayoum Company.

The number has now been reduced to three, as an amalgamation has been effected between the "Chemins de Fer Économiques" and the Delta Light Railway Company. The result seems to have proved satisfactory. In 1901 the combined Companies realized a net profit of 28,000*l.*

The Mansourah-Matarieh line also did well in 1901. A net profit of nearly 9,000*l.* was realized, and at the same time the working expenses were kept down to 56 per cent. of the gross receipts.

Owing mainly to defective management, the Fayoum Light Railway Company has so far not been so successful as could be wished. This is more especially to be regretted as the concern is wholly Egyptian. Even here, however, the Company is working its traffic at a profit, although its system of lines is as yet incomplete.

The transport of manure is becoming a very important item in the traffic of all these Companies.

Passenger traffic has everywhere increased very largely. On the Mansourah-Matarieh line in 1901 it was 25 per cent. in excess of that of the previous year.

Twenty miles of new telegraph line were laid down in 1901. The total length of telegraph and telephone lines now existing is 105 miles.

Subways or overhead bridges are being almost everywhere substituted for level crossings.

The following Table gives a brief comparison between the receipts and expenditure of the three Companies:—

Railway.	Length Opened to end of 1901.	Number of Passengers carried.	Goods carried.	Gross Receipts.	Total Working Expenses.	Rates of Working Expenses to Gross Receipts.
	Miles.		Tons.	£ E.	£ E.	Per cent.
Mansourah-Matarieh ..	68	587,116	43,863	20,079	11,222 =	56
Delta Light Railways ..	184	2,977,787	132,838	99,981	72,033 =	72
Fayoum ..	80	386,516	51,573	10,610	8,577 =	80·8

Upon the whole, these Railways appear to have a satisfactory future before them. Their short leads place them at some disadvantage, but the steady yearly increase of the net receipts upon the different systems, as a whole, is encouraging. The conservatism of the people seems to be dying out, and the competition of camel and donkey transport is diminishing.

There can be no question as to the benefits which these railways confer upon the land-owners. As an instance, I may mention the village of Delingat, some 25 kilom. from Damanhour, the principal town of the Behera Province. Previous to 1892, the transport of cotton from Delingat to Damanhour cost 12 piastres per kantar. With the construction of an agricultural road between these two places, this rate fell to 8 piastres the kantar, and, with the advent of the light railway, this transport now only costs 4 piastres the kantar, and can be made in any weather.

Port Saïd Railway.

After examining the various possible methods of connecting Port Saïd with the general system of the State Railways, the Egyptian Government has, on the advice of the Railway Administration, decided in favour of that solution which consists in substituting a broad gauge for the present tramway from Port Saïd to Ismaïlia. But before this scheme could be carried out, a preliminary Agreement was necessary between the Government and the Suez Canal Company, within the limits of whose Concession the proposed line is situated. Negotiations have been entered into with the Company, and an arrangement is on the point of being concluded, of which the principal provisions are as follows:—

The Company is to convert its present tramway into a broad-gauge line, and to connect it with the general railway system.

The actual work of converting the line is to be carried out by the Railway Administration at the cost of the Company; the latter to be reimbursed by means of annuities, calculated at 4 per cent. including interest and sinking fund. These annuities run until the expiration of its Concession in 1968.

The capital sum which has thus to be reimbursed includes, in addition to the cost of converting the line, compensation for the original expenditure on the existing tramway.

The new line will be worked by the Railway Administration as part of its general system.

The total cost of the work, including compensation for the present tramway, will amount to between £ E. 350,000 and £ E. 400,000. The amount of the annuity will, therefore, be from £ E. 14,000 to £ E. 16,000.

The Railway Administration anticipates an increase in receipts of about £ E. 90,000 from the new railway. Taking the working expenses at 50 per cent. of the gross receipts, this estimate would give a net profit of about £ E. 30,000, after deducting the amount of the annuity.

By the Agreement, the Company also undertakes to provide at its own expense all increased accommodation which may become necessary at Port Saïd, by reason of the commercial development which is likely to take place in that town; and, in return for this expenditure, which may reach a considerable figure, the Company will be exempted from the payment of customs dues on articles imported for the use of the Canal service.

It is expected that the Port Saïd line will be finished and open to traffic in about eighteen months' time.

Telegraphs.

The receipts of the Telegraph Administration during the past year amounted to about £ E. 64,000, and the expenditure to about £ E. 52,000, thus leaving a net revenue of about £ E. 12,000. These figures are almost identical with those of 1900.

The number of telegrams sent in Arabic shows a steady tendency to increase. The figures for the last two years are:—

1900	..	..	..	..	..	..	..	..	678,000
1901	..	..	..	..	..	..	..	..	753,000
Increase	..	..	..	..	..	..	..	..	75,000

On the other hand, the "urgent" telegrams, which pay three times the ordinary rate, fell from 9 per cent. of the total traffic in 1900, to 4½ per cent. in 1901. The reason is to be found in the comparative cessation of speculation in cotton.

The plantations of trees for telegraph poles continue to thrive. It will probably be possible to begin cutting small poles for single wires in 1905.

The total length of new lines constructed in 1901 was 294 kilom., carrying 880 kilom. of wires.

Port of Alexandria.

The improvements which were made some few years ago with the object of enabling ships to enter the port of Alexandria during the night, appear to have produced the required result. In the course of last year, 645 steam-ships entered the harbour between sunset and sunrise. This is 108 in excess of the figure of 1900. There were no accidents.

At present, ships of a maximum draught of 26 ft. 6 in. can with safety enter the harbour. In view of the great increases which has taken place of late years in the size and draught of commercial steamers, I do not doubt that the entrance-pass into the harbour will eventually have to be deepened. Indeed, sooner or later, the question of improving generally the port accommodation at Alexandria will have to be taken up.* If, however, a broad-gauge railway is constructed to Port Saïd, and if the harbour at this latter place is also improved, the congestion at Alexandria will, to a certain extent, be reduced. The seaborne trade of Egypt is, in my opinion, now quite sufficiently great to require two principal outlets.

Great progress has been made in the construction, by the Khedivial Steam Navigation Company, of the new dry-dock at Alexandria. I am informed that there seems a reasonable prospect of its completion in about eighteen months. I have not, however, as yet heard of any steps being taken to excavate the channel leading up to the dock. The execution of this latter work is absolutely necessary before the dock can be used.

I may mention that, although the number of steam-ships entering Alexandria increased from 1,334, with an aggregate tonnage of 2,204,626, in 1900, to 1,443, with an aggregate tonnage of 2,413,222, in 1901, the proportion of British tonnage to the whole decreased from 46.4 per cent. in 1900 to 42.1 per cent. in 1901. There was an increase in the tonnage of German, Austrian, and Italian steam-ships.

Lighthouses.

The gross revenue derived from light dues in 1901 was about £ E. 95,000. This was £ E. 9,000 in excess of the revenue of 1900, and £ E. 6,000 in excess of that of 1899. The increase is mainly due to the resumption of commerce with China.

A careful inspection of all the Red Sea lighthouses was made in October 1901 by Commander Gedge, R.N. He reported them all to be in good order, but he recommended certain additions and improvements, most of which are in course of execution.

A sum of about £ E. 4,000 is about to be spent with a view to improving the lighting and beaconage of the Suez roads.

A proposal to erect a lighthouse on Moresby Shoal, a small coral patch lying nearly in mid-channel in the gulf of Suez, has recently been under consideration. A lighthouse at this spot would, I am informed, be very expensive to build and difficult to maintain. Moreover, some difference of opinion exists amongst competent authorities as to its necessity. The project has, therefore, for the time being at all events, been abandoned.

I have on previous occasions frequently alluded to the necessity which exists for improving the lighting of the eastern coast of the Red Sea, and I have also indicated the obstacles which have so far stood in the way of any effective measures being taken with a view to the attainment of this object. It is satisfactory to know that at last some progress is being made. I understand that lighthouses are in course of construction at Jebel Teir, Jebel Zubayir, and Jebel Zukur. I am, however, unable to afford any detailed information on this subject, as the construction of the lighthouses in question has been undertaken, not by the Egyptian, but by the Ottoman, Government.

Communications have recently been passing between the Egyptian Government and Lloyd's Agency, with a view to the erection of wireless ætheric telegraph signal-stations in connection with the lighthouses at various points on the Egyptian coast, both in the Mediterranean and in the Red Sea. As yet, however, nothing definite has been decided.

* I am in hopes that a commencement in the way of improvement may be made very shortly.
[1527]

The Reassessment of the Land Tax.

The reassessment of the land tax in the province of Ghizeh was begun in January and finished in August of the past year; those districts of Gharbieh which remained over from 1900 were finished by December.

The following Table shows the detail of the year's work:—

Name of Province.	Acreage.	Present Tax.	New Tax.
		£ E.	£ E.
Gharbieh	293,026	381,932	357,199
Ghizeh	166,224	167,264	159,935
Total	459,250	549,196	517,134

The total number of acres assessed is thus 459,250, and the monthly average about 38,271. In both these provinces the total of the tax, according to the new rates, will be less than the present total; on the other hand, the provinces in which the work was finished in the course of 1900 showed a considerable increase over the present totals, and this will also be the case in the two provinces which are being taken in hand in 1902.

The total number of villages in Gharbieh and Ghizeh is 637; from only 170 of these were appeals presented against the decisions of the Valuation Commissions. The total number of appeals was 468, of which 257 were, upon examination, rejected. It is evident that the work of reassessment, notwithstanding the many interests involved, is meeting with but little opposition.

The work has now been finished in Sharkieh, Behera, Gharbieh, and Ghizeh. The three first named of these provinces are, owing to the inequalities of the land they contain, probably the most difficult in the whole country. A beginning has now been made in Menoufieh; it is hoped that the work will be completed in this province, and also in the Fayoum, in the course of 1902.

Paper Currency.

The notes appear to be in somewhat greater demand than was formerly the case. I am informed that the average circulation in 1901 was about £ E. 20,000 in excess of that in 1900. A considerable time will, however, probably elapse before the public generally becomes accustomed to the use of notes.

Salt.

The sale of salt is now in the hands of a private Company. The amount sold in 1901 was 52,221 tons, as compared to 48,691 tons in 1900. The total revenue collected was £ E. 223,000, being about £ E. 16,000 in excess of the revenue of 1900.

These satisfactory results are, without doubt, due to general prosperity, which has enhanced the purchasing power of the people.

Trade and Customs.

The total value of imports and exports during the past year amounted to £ E. 30,975,000, viz.:—

							£ E.
Imports	..	..	..	..	..	..	15,245,000
Exports	..	..	..	..	..	..	15,730,000

These figures, compared with those of 1900, show an increase of £ E. 1,133,000 in the value of imports, and a falling-off of £ E. 1,036,000 in exports.

It is satisfactory to observe that, in spite of the notable fall in prices and freights which occurred during the past year, the difference has been more than made good by an increase in quantities. The importation of material in connection with works of public utility in 1901 has, without doubt, helped to swell the import trade, but it can fairly be said that the main causes which have contributed to the result attained are the steady growth of trade and the opening-up of the Soudan.

The following are the principal increases in quantities during the year 1901, as compared with 1900:—

	Quantities imported in 1900.	Quantities imported in 1901.	Increase in 1901.
			Per cent.
Wheat Tons	11,135	17,378	56
Flour of all sorts	52,173	71,181	36
Rice	30,409	44,258	45
Sugar	6,041	7,425	23
Soap	3,545	4,746	34
Cattle, including sheep and goats Head	82,100	121,500	48
Cotton goods Metres	11,746,000	17,885,000	52
Cotton yarns Kilog.	19,103,000	21,887,000	14
Alcohol	2,936,000	3,439,000	17
	850,000	1,353,000	59

The increase in the importation of wheat and flour is due to the insufficiency of the Egyptian crop. The greater part (about 64 per cent.) of the flour imported in 1901 came from France, where a drawback is given on wheat imported to be ground and re-exported.

There has been an unusual demand for rice during the past year, owing to the restriction of the area cultivated in 1900. It is interesting to note that certain facilities, which have been made by the Bonded Warehouse Company in connection with the storage of rice, have attracted large quantities to this country; in fact, Egypt has become an important rice depôt for the supply of the Mediterranean ports. During the month of September last year, the stock of rice in bond was 164,770 sacks, or more than double the highest quantity reached at any time during the preceding year.

A rise in the price of sugar was expected in 1901, and a tendency to augment stocks with bounty-fed sugar from Austria and Russia was, without doubt, further influenced by the high prices for which the more important of the local factories decided to hold out. The expectations of the importers, however, have not been realized; there has been a serious over-importation of sugar, and a corresponding drop of about 20 per cent. in the price.

As regards soap, the quantities imported in 1901 came almost entirely from Mitylene and Greece. This soap is of an inferior quality and can be placed on the market at sufficiently cheap rates to enable it to compete with the locally-made article.

The scarcity of native cattle for slaughter accounts for the increase under this heading.

The increase in cotton goods and yarns may be attributed to the general prosperity of the country and the opening-up of the Soudan.

The increase in the quantity of alcohol imported is due to the local fabrication of alcoholic drinks.

In addition to the above, there has been a notable increase in the following articles. Taking values, these increases are:—

	Increase in 1901.
Paper.. ..	29 per cent.
Furniture	20 "
Wooden articles	62 "
Marble and stone	35 "
Clothing	23 "

The value of articles imported by Parcel Post was £ E. 386,325 in 1901, as compared with £ E. 310,978 in 1900.

The only important items of decrease are worked iron and steel, butter and maize.

There was an abnormal importation of worked iron in 1900, and this fact accounts for a decrease of 26 per cent. in the value imported in 1901.

As regards butter and maize, the former shows a decrease in quantity of 28 per cent., which is due to an increase in the local production. The quantity of maize imported in 1901 was 10,845 tons, as against 32,455 tons in the preceding year. The decrease is to be attributed to the good crop of 1901.

The falling-off in the total value of exports is almost entirely due to the price of cotton; the quantity exported shows an increase of 13 per cent. in favour of 1901. The average price declared for export was £ E. 1.952 per kantar in 1901, as against an average of £ E. 2.372 in 1900.

It is probable that, in consequence of the low prices, a considerable quantity of cotton was held back. In view, however, of the fact that the crop of 1901 was far superior in quantity to that of 1900, it will probably be found by the end of the season, if there is no further drop in price, that the total value of the two crops has not differed to any very great extent.

There has been an abnormal exportation of beans during the past year, owing to the good crop and high prices which prevailed. The exports amounted to 679,000 hectol., valued at £ E. 260,500, as against 563,000 hectol., valued at £ E. 205,000, in 1900.

Another increase worthy of mention is that of gum Arabic, which comes almost entirely from the Soudan. The quantity exported in 1901 was 6,709 tons, valued at £ E. 254,800, being an increase of 260 per cent. in quantity and 171 per cent. in value on the figures of 1900. Two other products of the Soudan also show considerable development:

					Value of Exports in 1900.	Value of Exports in 1901.
					£ E.	£ E.
Ivory	..	..	..	..	8,476	19,062
Ostrich feathers	..	..	..	..	12,227	24,623

The principal decreases in exports were in eggs, 21 per cent., sugar, 6 per cent., and onions, 15 per cent. The price of onions fell so low at one time that it was scarcely thought worth while to risk the freight.

A comparison of the value of imports and exports, from and to each country, shows that the respective positions of each in degree of importance were approximately the same in 1901 as in 1900, with the exception that an increase is noticeable in the exports of cotton to Russia.

The quantity of tobacco and tombac imported into the country during the past year, compared with the imports of 1900, is:

					Quantity imported in 1900.	Quantity imported in 1901.	Difference in 1901.
					Kilog.	Kilog.	Per cent.
Tobacco, of all sorts	..	..	..	..	5,787,149	6,120,548	+ 6
Tombac	..	..	..	..	328,444	325,661	- 1
Total	..	..	..	..	6,115,593	6,446,209	+ 5½

The exportation of cigarettes shows an increase of 19 per cent. The quantity exported amounted to 529,034 kilog., which is equivalent to about 380,000,000 cigarettes.

The stock of tobacco in bond in the Government Stores on the 31st December, 1901, was 84,579 bales, as compared with 84,359 bales at the end of 1900. This stock represents the consumption of about 7 months.

The following were the Customs receipts in 1901:—

					Receipts in 1901.	Comparison between 1900 and 1901.
					£ E.	£ E.
Imports	..	..	..	..	1,174,909	+ 93,812
Exports	..	..	..	..	154,159	- 9,955
Tobacco, of all sorts, and tombac	..	..	..	..	1,221,483	+ 61,602
Miscellaneous receipts	..	..	..	..	12,642	- 241
Total	..	..	..	..	2,563,193	+ 145,218

Seven new warehouses have been constructed on the quays of the port of Alexandria during the past year, with funds voted by the Caisse de la Dette for the purpose. Two others are in course of construction. The import trade has, until now, suffered considerable inconvenience owing to the want of storage accommodation on the quays. When all the new sheds are in use, this inconvenience will have been removed, inasmuch as it will be possible to place all damageable goods under shelter, pending their clearance through the Customs.

I cannot close this portion of my Report without expressing my high appreciation of the valuable services which Chitty Bey, the Director-General of Customs, continues to render to the Egyptian Government.

Post Office.

The gross revenue of the Post Office during the past year amounted to £ E. 143,000, and the expenditure to £ E. 115,000. The net revenue was, therefore, about £ E. 28,000, or £ E. 1,000 in excess of that of 1900.

There has been a considerable increase in the number of letters, newspapers, &c., sent through the Post Office; all branches have shown a steady development.

The commission for transmission of specie packets was ¼ per cent. until 1895; it was then reduced to ⅓th per cent.; it has now been still further reduced to ⅒th per cent.

An arrangement has been made with the British Post Office for an exchange of money orders by telegraph.

The Administration of the Wakfs.

Affairs in this Department have been steadily improving since 1897, when, for the first time, the accounts of the Wakf Administration were placed under the control and supervision of the Ministry of Finance. The revenue, which was £ E. 212,000 in 1898, has been steadily growing. In 1901 it amounted to £ E. 245,000. The money has been devoted more exclusively than heretofore to the purposes for which the various endowments were originally created, namely, charity and the maintenance of mosques and schools. The cost of the Central Administration remains the same as in 1898, viz., about £ E. 58,000, but the grants to mosques have been increased by £ E. 21,000, those to schools by nearly £ E. 3,000, and those to various charitable institutions by about £ E. 5,000.

In 1896, the deficit of this Administration amounted to no less than £ E. 27,000. During the five succeeding years the aggregate surplus has amounted to £ E. 270,000. A sum of £ E. 86,000 stood to the credit of the reserve fund on the 31st December, 1901. Of this, £ E. 40,000 was pledged to expenditure of various sorts, leaving an available balance of about £ E. 46,000.

The arrears of rent which, in 1897, amounted to £ E. 52,000, have now fallen to £ E. 3,500.

A classification has been made of all the mosques in the country, showing their state of repair. They will be gradually taken in hand as funds are available.

Also, something is being done to improve the condition of the Readers, Muezzins, Imams, and other functionaries attached to the mosques. In a large majority of cases they at present receive a bare pittance.

As regards schools, a sum of £ E. 1,000 has been added to the grant paid to the Ministry of Public Instruction for extending the inspection over certain "Kuttabhs."

The new Poor-house at Tourah has now been finished, and will be opened very shortly. A similar institution is about to be created at Alexandria.

The exchange of "Hikrs," a point to which I have alluded in previous Reports, proceeds but slowly. Out of a total of 10,000, exchange has only been effected in 642 cases. A project for rendering these exchanges compulsory is now under the consideration of the Grand Cadi.

The steps taken in order to insure a regular payment of the sums due to the beneficiaries of the private Wakfs have put an end to the frequent and legitimate complaints of the public on this subject. With the exception of sums required for the maintenance of the property, or the payment of which is retarded for legal proceedings, the beneficiaries receive the full amounts accruing to them, partly in the form of monthly instalments, and the balance when the accounts are finally closed.

These results, Harari Pasha, to whose advice and perseverance the recent progress is in a great measure due, truly says, "are worth recording, or else the public interested in the Wakfs may be led to forget the past, and think that the Administration has always existed in its present form. Every year marks an advance in the path of progress, and gradually the Wakfs Administration will really be able to fulfil, in an intelligent manner, the numerous obligations for which it was originally created."

Irrigation Works and Improvements.

A large sum of money was expended in 1901 upon remodelling the irrigation systems of both Upper and Lower Egypt. By far the greater portion of these works was connected with the scheme for the redistribution of water, which will of necessity take place when the extra supply is obtained from the Nile reservoir at Assouan.

In addition to the expenditure on the new weirs at the Barrage, and on the new dam at Zifta, a sum of about £ E. 490,000 was expended upon irrigation improvements, about £ E. 430,000 of the amount being granted by the Caisse de la Dette.

Of the above expenditure, Upper Egypt accounted for the larger share, about £ E. 361,000 having been allotted to the new works in progress in that region.

The following are the principal projects upon which money was expended in Upper Egypt:—

1. *Remodelling of the Basins lying to the West of the Youssufi Canal.*—Nearly £ E. 66,000 was spent upon this work. Its object is to improve the flood supply of these basins, and to give them their due allowance of the silt-laden water. The project includes, besides earthwork, the construction of two very important regulators and locks on the Youssufi Canal. It will be completed early in 1902.

2. *Conversion of the Assiout Basin System into Perennial Irrigation.*—This work, which involves a new canal system over a large area, was practically completed in 1901, at a cost of about £ E. 103,000.

3. In the Minieh province, a commencement was made with similar work, and an expenditure of some £ E. 21,000 was incurred. The Ibrahimieh Canal requires widening throughout its length, in order to enable its future discharge to meet the requirements of the new irrigation system. £ E. 25,000 was expended upon this work in 1901.

4. In the Fayoum province extensive remodelling works were put in hand, the principal of which were upon the Hassan Wassif, Bahr Nazlah, and Bahr Seilah Canals. In all, some £ E. 97,000 was spent upon irrigation works in this province in 1901.

5. Of the remaining new works in Upper Egypt, the most important were the construction of the new Hamad escape, which replaced that which failed at the end of 1900; the Talihat regulator, and the regulating head on the Sohagiyeh Canal. Upon these three works a sum of £ E. 27,000 was expended.

6. In addition to the expenditure under the special credits, some £ E. 25,000 from the ordinary Budget was devoted to the construction of minor works and to the repairs and maintenance of existing works. The projects mentioned above involved the construction of about 415 kilom. of new irrigation channels.

The following are the main irrigation improvements executed in Lower Egypt:—

1. *The Rayah Behera Head.*—This is the last work in connection with the Delta Barrage, which remains to be remodelled. The work consists of additions to the old regulator, a new lock, and two more openings. The whole structure will be provided with iron gates and winches, of a similar pattern to those used upon the Barrage. Good progress was made with this work in 1901; nearly £ E. 21,000 was expended. It is hoped that it may be completed in the course of 1902.

2. *The Niklah Regulator on the Rayah Behera.*—This is a large regulator of five openings, with a lock for navigation purposes. The object of this work is to give control over the water at the time of discharging the Niklah Basin. This operation has hitherto been one of considerable difficulty, and even of danger, as the discharge at present takes place into, and across, the Rayah Behera, on a level crossing. Once the regulator is completed, these difficulties will disappear. £ E. 17,000 was spent upon this work in 1901. It will be completed in the course of this year. £ E. 3,000 was also expended upon a syphon under this canal, constructed with a view to improving the irrigation of the Um Dinar lands.

3. *The Ismailia Canal-head and Lock.*—The old lock, at the head of this canal, failed some years ago. Attempts were made to repair it, but the foundations, as originally designed and built, were so faulty that the project was abandoned, and it was decided to construct a completely new work. Good progress was made with the foundations in 1901; £ E. 28,700 was expended.

The Syriakos regulator, on the same canal, is to be widened, in order to permit of its having an increased discharge of water. Over £ E. 3,000 was expended on this work in 1901.

4. *Improvements to Irrigation in the Gharbieh and Menoufieh Provinces.*—These works consisted of lowering the sill of the Kodabah Lock, widening the Bagourieh canal, and remodelling the Dimerah regulator. The total cost, in 1901, was about £ E. 85,500.

5. *The Khatatbah Flood-feeder.*—This important work was constructed in 1901, at a cost of £ E. 15,700. When the flood reaches a certain height, the water supply for the Behera province is taken in by this channel, and the head of the canal at the Barrage is closed in order to reduce the deposit of silt. Previous to the construction of this feeder, the channel was closed by an earth-work dam, which was cut when necessary.

6. *The Navigation Bridges on the Mahmoudieh Canal at Alexandria.*—These bridges are to be renewed; a sum of £ E. 3,250 was expended on them in 1901.

Lake Victoria Nyanza Gauges.

The subjoined Table shows the height of Lake Victoria Nyanza on the 1st October during the past four years:—

Dates.	Port Alice (N'tebbe).	Ports Victoria and Ugowe (Kisumu).	Lubwas (Usoga).
	Ft. in.	Ft. in.	Ft. in.
October 1, 1898 ..	3 2	3 2½	3 1½
" 1, 1899 ..	2 6½	2 2	1 5
" 1, 1900 ..	1 7	1 1	1 0
September 30, 1901 ..	Not yet received	1 8	1 6

Sir William Garstin makes the following remarks on this subject:—

"At one period during 1901 the lake rose very considerably, as the following maximum levels, taken from the register, prove:—

Port Alice.	Ports Victoria and Ugowe.	Lubwas.
19th to 21st May.	5th June.	31st May.
Ft. in.	Ft. in.	Ft. in.
5 2½	3 11½	3 1½

"These show a total rise, over the levels of the same dates in 1900, of 2 ft. 7 in. at Port Alice, 1 ft. 8½ in. at Port Victoria, and 1 ft. 8½ in. at Lubwas. The differences between the gauge readings at Port Alice (both as regards date and height of maximum levels) and those of the other two stations is very remarkable. It is possibly due to the action of wind and to local storms. The result of the information received up to date shows that, although there was a considerable rise about the end of May 1901, the levels, at the end of September, were only 6 or 7 inches higher than those of the same date in 1900; also, that they were very similar to those of 1899, and were some 18 inches lower than those of the same period in 1898. It would be unadvisable to draw any conclusions from the above. The period for which the records exist is very short, and but little is known as yet of the relation between the levels of this lake and the summer supply of the White Nile. All that can be definitely stated is that at the end of the year 1900 the lake levels were abnormally low, and that those of 1901, at the same period, were not much higher."

The Sudd in the Bahr-el-Gebel.

A very full account of the sudd in the Bahr-el-Gebel was given in Sir William Garstin's Report, which was attached to my despatch of the 19th June, 1901 (see "Egypt No. 2" of 1901). I need now merely add that a length of only 23 miles of river still remains to be cleared of the obstruction. Work was commenced upon this reach in November last, after the rainy season had passed. A credit of £ E. 4,000 was granted by the Ministry of Finance for this purpose. No reports as to the progress made have as yet (the 21st February) reached Egypt, but this is not surprising, as the locality is extremely remote and communications are few and far between.

Irrigation Projects on the Upper Nile.

The condition of affairs as regards irrigation projects on the Upper Nile was fully described in my despatch to your Lordship of the 19th June, 1901, and in Sir William Garstin's Memorandum of the 7th June (see "Egypt No. 2" of 1901). Since writing that despatch, the situation has undergone no change. I may mention, however, that Sir William Garstin is about to travel in the region watered by the Blue Nile. His main object is not so much to arrive at any definite conclusion as to the course which should be adopted in the future, as to make a preliminary examination on the spot with a view to ascertaining, generally, the direction in which further inquiry may with advantage be made. Sir William Garstin's attention will be specially directed to the question of whether it may not be possible to construct some irrigation works within Soudanese territory, and thus obviate the political objections which would, in any case, be involved were it arranged to construct a reservoir at Lake Tsana, or anywhere inside the Abyssinian frontier.*

The Nile Reservoirs.

At the end of 1900, the only foundation work remaining to be done on the Assouan dam was that of the western channel. The temporary dams were completed

* I regret to say that, since this was written, I have received a telegram from Khartoum informing me that, acting on medical advice, Sir William Garstin has most reluctantly been obliged to abandon his intended visit to Lake Tsana. This is much to be regretted. The work which Sir William Garstin had intended to undertake is, however, merely postponed. I may mention that the Emperor Menelek readily granted his consent to the proposed visit.

early in 1901, and excavation commenced early in March. The hopes entertained, that the rocks in the bed of this channel would turn out to be sounder than in the others, were not realized; the foundations had to be carried down to an average depth of 6 metres below that shown on the original contract drawings. The work was carried on so vigorously that, before the Nile flood, the masonry in the western channel was completed to a height of 4½ metres above low-water level. In other portions of the dam, the masonry was in progress throughout the year. By December, more than half the length of the dam was completed, and the remainder was brought to an average height of 6 metres below final, or road, level. The total amount of masonry laid during the year was about 227,000 metres cube, making a total of 467,000 metres cube completed by the end of the year. This left about 75,000 metres cube to be laid in order to complete the work.

Cast-iron grooves have been erected in sixty-five deep sluices, and in thirty-five higher-level sluices. The masonry of the locks was nearly completed in 1901. The steel lock-gates, in two of the recesses, are in course of erection.

The value of the permanent work executed during the year was about £ E. 900,000, and that of the total, up to the end of 1901, £ E. 1,900,000. A further sum of £ E. 146,000 was advanced, under the contract agreement, to the contractor, for preliminary works, materials and plant. This advance will be recovered in the course of 1902.

There appears to be no reason to anticipate that this work will not be completely finished, and ready for use, before the end of the current year.

Mr. Fitzmaurice, the Resident Engineer, to whose energy and ability so much of the progress made is due, resigned his post in December 1901, in order to take up that of Engineer to the London County Council. His place has been taken by Mr. May, his senior assistant.

Equally good progress can be reported as regards the Assiout dam. At the commencement of 1900 a short length of foundation in the middle of the river remained to be completed. In spite of the considerable difficulties of inclosing it and of laying dry the river bed, this work was successfully accomplished before the arrival of the flood; by the end of the year, with the exception of a portion of the parapets and roadway, the whole of the superstructure was completed. The lock also was finished, and the gates were hung.

On the Ibrahimieh canal-head the foundations of the regulator and lock were completed, and the superstructure built to within 2 metres of the springing of the arches, before the flood. The amount spent on this work up to the end of 1901 reached the figure of £ E. 800,000. It is expected that regulation upon this weir will commence early in the current year for the purpose of assisting navigation.*

The very excellent progress made upon these works in 1901 is largely due to the exertions of Mr. Webb, the Director-General of Reservoirs, and of Messrs. Fitzmaurice and Stephens, the Resident Engineers. An equal amount of praise is due to Messrs. Blue and McClure, the representatives of Sir John Aird, at Assouan and Assiout respectively. It is certain that, without the untiring labour of these two gentlemen, the works could not possibly have been so effectively carried on, and would not have been completed a year before the contract time, as now seems almost certain to be the case.

Annexed to my Report for the year 1897 ("Egypt No. 1" of 1898, p. 44), will be found a Memorandum prepared by Sir William Garstin, in which the probable benefit to be derived from the construction of the reservoirs was fully discussed. I had hoped in the present Report to deal with this question again by the light of the further information which has now been obtained. On the whole, however, I have come to the conclusion that a statement of this nature will be more satisfactory and complete if I wait until the reservoirs are entirely finished and in use. I postpone, therefore, the treatment of this question until next year.

The Barrage.

The subsidiary weirs which, as I have stated in previous Reports, were commenced in 1898, were finished in 1901. The estimate for these works was £ E. 530,000, but they actually cost only £ E. 431,000, thus realizing a saving of £ E. 99,000. The weirs have now been used through a whole season, and have proved thoroughly efficient and

* Since this was written I have visited the Assiout dam. Regulation has already commenced.
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sound. Thanks to their construction, it has been possible to raise the level of the water, up-stream of the Barrage, to a considerably greater height than would have been practicable without them.

The maintenance charges for the Barrage itself amounted, in 1901, to £ E. 12,690.

The Zifta Weir.

I mentioned in my last Annual Report that, in order to assist the distribution of water in the northern portions of the delta, it had been decided to construct a weir similar to that in progress at Assiout upon the Damietta branch of the Nile. The point selected is about half-way between the Delta Barrage and the sea. In the future the main canals which supply the southern tracts of the deltaic provinces will, as at present, obtain their supply of water from the river up-stream of the existing Barrage; but the areas lying to the north will be supplied directly from the new Zifta weir. The advantages of the new arrangement are obvious. The length of the existing canals is very great, and they traverse large tracts of country. It is consequently, even with the most perfect system of rotations, extremely difficult to force the water down to their northern reaches in sufficient quantity to give the lands dependent upon them their fair share of water. With the completion of the new weir, the lengths of the supply-canals will be much reduced, and the distribution of water to the northern tracts will be greatly facilitated. The Zifta weir was commenced in 1901. The total estimated cost of this work is £ E. 450,000. This includes a lock for navigation.

The design is, as I have stated above, practically identical with that of the Assiout weir. The foundations at Zifta, as at Assiout, consist of a thick bed of concrete inclosed between cast-iron sheet piling. The weir, when completed, will consist of fifty openings of 5 metres each, with a lock of 12 metres in width. The total length of weir from bank to bank will be 373 metres.

A good start was made with the work in 1901, and the progress has been so rapid that it is confidently hoped that the entire work will be completed by the end of the current year. It is true that at this place the soil of the river bed, upon which the foundations are laid, turned out to be much better than was expected, and this naturally assisted the rapidity of the work. Nevertheless, Sir William Garstin writes: "Very great credit is due to Mr. F. Hurley, the Resident Engineer. Mr. Hurley is a young officer of great energy and considerable ability. Had it not been for his excellent arrangements, it is certain that such a good out-turn of work would have been impossible."

The total expenditure upon the Zifta weir in 1901 amounted to £ E. 120,000.

The Corvée.

The following Table shows the number of men called out to guard the banks of the Nile during the season of flood since 1895:—

Year.							Men called out for 100 Days.
1895	..	..	..	..	..	..	36,782
1896	..	..	..	..	..	..	25,113
1897	..	..	..	..	..	..	10,830
1898	..	..	..	..	..	..	19,326
1899	..	..	..	..	..	..	7,893
1900	..	..	..	..	..	..	14,180
1901	..	..	..	..	..	..	8,763

The total number of men called out in 1901 was distributed as follows:—

Upper Egypt	..	..	..	..	..	..	8,602
Lower Egypt	..	..	..	..	..	..	161
Total	..	..	..	..	..	..	8,763

Sir William Garstin makes the following remarks on the subject:—

"A remarkable fact is that, in 1901, no corvée at all was called out to guard the Nile banks in Lower Egypt north of Cairo. The 161 men shown above were all employed in the basins of the province of Ghizch. This gives great hope for the future, as, although the flood of last year was a low one, it was by no means the lowest on record; and never before in the history of Egypt has a flood season passed, however low, without the corvée of the northern provinces having been called out. The figures for Upper Egypt still remain high, this being chiefly due to the extent of the basin banks in that region. At the same time, there ought to be a regular reduction in the numbers, which is not yet observable. Thus, in the year 1899, the total for Upper Egypt was only 6,596. It is true that this was a year of very low flood, but those of 1900 and 1901 were very little higher, and were certainly not in any way dangerous floods. The figures for these years were 14,656 and 8,602 respectively, and these are assuredly higher than should have been the case. In this respect the Irrigation Inspectors of Upper Egypt would seem to cling too closely to precedent, and to be too conservative. The Ghirgeh Directorate and the 5th Circle are responsible for by far the largest numbers. As these two irrigation charges are under the superintendence of Egyptian Inspectors, it would almost seem as if they were unable to shake off the old tradition of Egypt, viz., that immense numbers of men are indispensable to the safety of the banks. This may be true in a year of dangerous flood, but certainly not in one of poor levels like that of 1901.

"The Irrigation service is at present studying the best means for abolishing the corvée, or, at all events, for reducing it to a very large extent. Proposals will be submitted for this purpose, but it is certain that the changes will be best introduced gradually."

Drainage.

About £ E. 227,000 was spent upon drainage works last year. For this sum, 398 kilom. of new drains were constructed in Upper and Lower Egypt, and 166 kilom. of existing drains were remodelled. The expenditure includes the cost of land, earth-work, dredging, masonry, and timber works; also the pay of the special staff intrusted with carrying out the works. £ E. 5,500 was expended in collecting materials for the Etsa pumping-station, which will eventually affect the drainage of the Assiout and southern Minieh basins, when converted to perennial irrigation. The Mex pumps, which drain Lake Mareotis, which again receives the drainage of a large portion of the Behera province, raised, in 1901, the largest amount of water hitherto recorded. The quantity lifted was 316,435,869 metres cube, the maximum amount pumped in any one day (25th February) being 2,903,190 metres cube. The cost of pumping, in 1901, reached the heavy figure of £ E. 15,836, or some £ E. 50 per 1,000,000 cubic metres of water pumped. The excessive amount of water raised in 1901 is largely due to a heavy winter rainfall, but it is also to be accounted for by improvements in the drainage system of this province, whereby more water is discharged into the lake than used to be the case.

Water Supply of Alexandria.

The project for improving the water supply of Alexandria is still under consideration. In the meanwhile, the construction of the new filter-beds, which must in any case form an essential part of the scheme, is progressing. These works will, it is thought, be completed in rather less than three years.

Water Supply of Provincial Towns.

Arrangements have been made to supply the towns of Keneh and Assouan with good water. Borings have been made with success, and good supplies of water have been found at Beni-Souef, Mit-Ghamr, and Zifta. Permanent pipes have been laid down, and drawings are being prepared with a view to the erection of the necessary buildings and machinery.

The Town of Cairo.

The total road surface of the city of Cairo is 2,803,482 square metres, of which 1,376,848 square metres are metalled, the rest being in earth. 22,808 square metres

of new metalled road were constructed in 1901, at a cost of £ E. 1,940. 52,748 square metres of basalt road were reconstructed, at a cost of £ E. 3,663; and 75,217 square metres of the same class of road were repaired, costing £ E. 2,915. In all, a sum of £ E. 10,772 was spent upon the upkeep of the Cairo roads in 1901.

The Caisse de la Dette has granted a credit of £ E. 20,000, in order to enable a commencement to be made with paving the roads of the native quarters of the city with asphalt bricks. If this matter is to be taken seriously in hand, a further very considerable sum of money will be required.

A drainage system for getting rid of the rain-water, which formerly used to flood the streets after every storm, was introduced last year. The total length of sewers laid, including the branches, is 8,051 metres. The total expenditure has been £ E. 20,500, out of a sum of £ E. 22,000, which was furnished by the Caisse. The drains will discharge their water into the Ismailia Canal. An engine and pump worked by electricity have been erected at the outlet, in order that, even when the canal is full, the drains may be worked. M. Reboul, who was in charge of this work, deserves great credit for the energetic way in which he has pushed it to completion by carrying on the work by night as well as by day.

As regards the Scavenging and Watering service, there has been no change in the area cleaned since 1900. As in that year, 61 per cent. of the total is cleaned and watered daily. The remaining 39 per cent. is cleaned once in every four days. The total expenditure for 1901 was about £ E. 25,000. An arrangement has been made by which this service, with its entire staff and plant, was handed over to the Sanitary Department from the 1st January, 1902.

There are now 3,233 gas-lamps in the town, or an increase of 62 over the number in 1900. Arrangements are being made for the installation of 295 new lamps in portions of the city where lighting is most urgently required. A special grant of £ E. 2,000 has been given for this purpose, with effect from the 1st January, 1902.

The prospect in the near future of telephonic communication between Cairo and Alexandria has decided the Telephone Company to establish metallic circuits in Cairo itself. The former system (with return current through the earth) has proved insufficient to transmit the sound to a great distance. This change in the system having doubled the number of wires, the Company asked for, and obtained, the permission of the Government to substitute subterranean for overhead wires. This work was practically completed in 1901.

Public Buildings.

Demands for the construction of new public buildings are springing up on all sides. It is quite impossible to meet all these demands at once. The question is not merely one of money. With the existing staff of the Public Works Department there is a limit to the amount of expenditure which can be adequately supervised. Some considerable time must elapse before all the public buildings, which are required, can be constructed. In the meanwhile, the facts which I give below will show that steady progress is being made.

About £ E. 127,000 was spent upon new public buildings in 1901.

These do not include buildings for either the Prisons or the Sanitary service. Both these Administrations, although their expenditure is still borne upon the Public Works budget, now employ their own engineers and carry out their own works, merely referring to the Public Works Ministry in special cases.

In Upper Egypt ten new buildings were completed in the course of last year, at a total cost of about £ E. 17,500, of which £ E. 9,500 was expended in 1901. These comprised police barracks, slaughter-houses, and Tanzim (Roads and Buildings Department) Offices. In addition, a new elephant-house and a lion-house were built for the Government Zoological Gardens.

Seven new buildings were commenced last year, the estimates for which amounted to £ E. 32,671, and the expenditure upon which was £ E. 11,900. These buildings consisted chiefly of police offices, police barracks, and Tribunals. The most important was the new Agricultural College at Ghizeh, which is estimated to cost £ E. 17,900, and upon which £ E. 5,500 was expended in 1901.

In Lower Egypt, a great deal of work was in progress. Twenty-six buildings were either completed or in progress representing an estimated cost of £ E. 471,651. Of this amount, £ E. 219,275 was expended previous to 1901, while £ E. 91,505 represents last year's expenditure.

I give below a brief account of the more important of these buildings.

The Egyptian Museum (Cairo).—The interior of the building, with the exception of a few details, is practically completed, and it has been handed over to the Museum authorities, who have commenced the transfer of the collections from the Ghizeh Museum. The Exhibition space is 15,000 square metres, as compared with 9,700 square metres at the Ghizeh Museum.

The boundary fence for the new building is still in progress.

About £ E. 198,000 had been spent upon this building up to the end of 1901. £ E. 23,000 was expended in that year.

The Arab Museum and Khedivial Library (Cairo).—This building is well advanced, and it is hoped that it will very shortly be completed. The cost, up to date, has been £ E. 47,000, of which £ E. 12,500 was spent in 1901. The total area of the Exhibition rooms is 1,510 square metres, as against 630 square metres in the present Arab Museum.

The Geological Museum (Cairo).—This building has been completed at a cost of £ E. 4,500. The collection of minerals gathered by the Geological Department has been placed in the Museum.

Boulac Stables (Cairo).—These are for the Scavenging and Watering service, and are intended to replace the buildings handed over to the Army of Occupation, under an agreement made regarding the land in the vicinity of the Egyptian Museum. These stables will, when completed, have cost £ E. 10,000, of which £ E. 2,500 was expended in 1901.

Residence for the Director-General of the Antiquities Department.—This building is to cost £ E. 4,400, of which about £ E. 1,000 was spent last year.

Customs Buildings at Alexandria.—These consist of new sheds, and of an addition to the tobacco store. They will, when completed, have cost £ E. 28,500, of which £ E. 18,800 was spent last year. They will be finished early in the current year.

Port Said Gouvernorat.—This building will cost £ E. 13,000, of which £ E. 2,400 was spent in 1901. It will be ready by the end of 1902.

Cairo Central Fire Station.—A commencement has been made with this work, and about £ E. 1,100 was expended last year. It will cost, when finished, £ E. 25,000, but it cannot be ready until 1903.

Cairo Post Office.—This building was completed in 1901, at a cost of £ E. 12,100, of which £ E. 8,200 represents the expenditure for last year.

Cairo Native Court of Appeal.—Although this building (including the prison) was taken over in 1900, several additions demanded by the Ministry of Justice are in progress. These will cost some £ E. 4,100, and will be finished in the course of this year. About £ E. 1,200 was spent last year.

Port Said Post Office.—This will cost £ E. 25,000, of which £ E. 4,800 was spent in 1901. It will be completed in 1903.

The School of Law (Cairo).—A commencement was made in 1901, but the building cannot be ready before 1903. The estimated cost is £ E. 22,100, of which £ E. 1,600 was spent in 1901.

The Sanieh School (Cairo).—This building was also commenced last year, and will be completed in 1903. The estimated cost is £ E. 27,200, of which about £ E. 1,700 was spent in 1901.

Schools of Moubtedian and Dar-el-Oloum (Cairo).—These two schools, which have cost in all £ E. 30,000, were completed in April 1901. £ E. 6,000 was expended in that year.

The Government Printing Press at Boulac.—The additions to this building are being carried out by Chelu Bey, the Director, under the supervision of the Public Works Ministry. Their estimated total cost is £ E. 12,000, of which £ E. 7,000 was expended in 1901.

Several other buildings were put in hand, but none of them are of sufficient importance to warrant special mention.

Repairs to existing Buildings.—About £ E. 40,000 was expended in 1901 upon repairs to the buildings belonging to the various Government Administrations, which number many hundreds. This sum includes a grant of £ E. 4,000 to the Prisons Department, and of £ E. 3,500 to the Sanitary service, for the upkeep of their buildings.

Inspection of Steam Engines.

I stated in my last Report that, after some lengthy delays, a new Law for licensing and regulating engines of all kinds had at last been enacted. It had been in operation since November 1900, and has yielded satisfactory results.

323 demands for engine licences were received in 1901, as against 153 in 1900. These, with 79 which remained over for consideration at the beginning of 1901, make a total for the year of 402. Of this number, 336 were granted, and 66 remained over for consideration at the end of the year.

The total number of engines now duly licensed in Egypt and in good working order is 869. This does not include irrigation engines and pumps. 836 visits of inspection were made in 1901. One boiler explosion occurred, caused by the negligence of the driver, but fortunately no one was injured.

The Survey Department.

During the year 1901, this Department has been mainly occupied with the revenue survey.

The triangulation of the provinces of Galioubieh and Dakahliéh has been completed, and a commencement made with that of Upper Egypt. The detail survey of the provinces of Gharbieh and Ghizeh was finished, and the reassessment of the land tax was completed before the end of the year.

About two-thirds of the area of the Menoufieh and Fayoum provinces have been surveyed.

In order to utilize the large quantity of unpublished maps already existing, a survey party was, during the last five months of 1901, engaged in revising them and bringing them up to date. A commencement was made with the province of Behera; 900 square kilom. have been completed in the field, and the two first sheets have been published. Others will quickly follow. It is anticipated that these maps will prove of great general utility, as no topographical maps, on a large scale, exist in Egypt.

The Meteorological Service.

Daily weather reports continue, as in 1900, to be published at Cairo, and telegraphic information is daily exchanged between Egypt and different stations on the Mediterranean. These bulletins are sent to Port Saïd and Alexandria, and the information is furnished to the Shipping Companies. Meteorological stations in the Soudan have been extended, and arrangements have been made for observations to be regularly taken at Wadi Halfa, Khartoum, Kassala, Wad Medani, El-Obeid, El-Duem, Taufikieh, and Suakin.

The construction of a new Observatory at Helouan is to be commenced in the course of this year.

The automatic time-signal has been transmitted regularly from the Cairo Observatory since the commencement of 1900, but, during that year, only the Port Saïd time-ball was dropped by it. In 1901, the Alexandria time-ball was also put in electric connection with the Observatory at Cairo, as was the mid-day gun at the Cairo Citadel. The signal is sent at mean noon of the 30th meridian east of Greenwich, or at 10 A.M. Greenwich mean time.

The Geological Survey.

The work done by this branch of the Public Works Department has principally consisted in the preparation and publication of Reports upon the work done in previous seasons. Three Reports have been published, viz., those on the Kharga, Dakhla, and Farafra oases. Six more Reports are in the press.

The geological collection has been removed to the new Museum: it is now being arranged and classified.

A most important find of fossil vertebrata was made by Mr. H. Beadnell in the western desert during 1901. A considerable collection of new forms was made. These are now being determined and described at the British Museum (Natural History Branch). When this work has been completed, they will be returned to Egypt. Two

pamphlets relating to this subject, written by Mr. Andrew, of the British Museum, have already been published.

Recruiting.

The necessity for a thorough revision of the law relating to recruiting in Egypt has, for a long time past, been felt. In the course of last year, a Commission was appointed to examine into this important question. A law, based on the recommendations of the Commission, has now been drafted by Mr. Brunyate, who, in this, as in other matters, has rendered most valuable services. The new law will shortly be submitted to the consideration of the Legislative Council. Its provisions may be briefly summarized as follows:

The persons liable to military service are reclassified.

The law regarding exemptions from military service is systematized and simplified. I may mention that it is proposed to exempt men volunteering for service in the police for a period of ten years.

The procedure prior to enlistment, as well as the Regulations affecting the period and conditions of service, have been revised and simplified.

Legal sanction is given to calling out the reserves under certain circumstances.

The very faulty system, hitherto in force, of imposing vicarious punishment on the families of deserters, is to be abolished. In its place, it is proposed: first, to impose a cess on any village in which the absentees exceed a certain percentage of those called to the colours; secondly, to increase the term of service of conscripts fraudulently attempting to evade service. It will, however, be possible to obtain, by good conduct, a remission of the increased term of service.

Another important change, which is proposed, is that for the future only persons subject to military law will be tried by court-martial. Other offenders against the Recruiting Law will be dealt with by the ordinary Tribunals according to the gravity of the offences, which have been classified and for which penalties have been fixed. Heretofore, civilians offending against the Recruiting Law were liable to be tried by court-martial.

Crime.

In reading the following remarks, taken from a Memorandum prepared by Mr. Corbet, the Procureur-Général of the Egyptian Government, it has to be borne in mind that the word "crime" is used in the technical sense of the Egyptian Code. It answers with tolerable accuracy to the English word "felony":—

"In 1901 there were 2,382 crimes denounced, as against 1,977 in 1900. Of these denunciations, 834 (or 35 per cent.—exactly the same proportion as in 1900) were filed as being unfounded in fact, or not relating to facts constituting an offence in law, thus leaving a total of 1,548 real crimes, as against 1,290 in 1900. Already in 1900 there had been a slight increase of 39 in the number of crimes over that of 1899, which was lower by 91 than the lowest ever before attained. The number this year is larger than any since 1896, when the real crimes reached the much higher total of 1,866. The increase is general. Only in Alexandria, Port Saïd, and Fayoum is there any decrease, while the smallest increase is found in Cairo city and the province of Kenéh, namely, 3 per cent. each.

"An analysis of the figures shows the following results:—

"'Brigandage,' so called, figures for 11 cases, in place of 12 in 1900; that is, it still keeps down, the figures counting back from 1900 to 1896, inclusive, having been 12, 17, 21, 28, 47. These figures are eminently satisfactory, as showing that the most serious of all crimes, from the point of view of public security, and that with which the authorities may fairly be expected to be able to cope, is not on the increase.

"Excluding the cases of 'brigandage,' robbery with violence shows a slight increase—306, as against 280.

"Homicide of various kinds stands at 186, as against 120, a considerable increase, being the highest number since 1896, when it reached 196.

"It may be of interest to remark on the causes of these homicides, so far as they are known, especially in comparison to those of the previous year. The most important headings of the classification adopted in 1900 (when this subject was first gone into) are—

- "1. Vengeance;
- "2. Cupidity; and
- "3. 'Crimes passionnels.'

"Under the first heading we have 163 cases in 1901, against 150 cases in 1900; under the second, 79 in 1901, against 73 in 1900; under the third, 69 in 1901, against 50 in 1900. 'Miscellaneous' accounts for 91 in 1901, against 61 in 1900; causes quite unknown are 76 in 1901, against 78 in 1900. The most marked increase is, therefore, in the 'crimes passionnels,' a class of case where the authorities can do nothing in the matter of prevention. Among these crimes are classed 35 cases of infanticide, against 20 in 1900. I do not think it is to be concluded from these figures that the crime of infanticide (of bastard children) has increased in 1901, but merely that more of the cases happening were brought to light. In the same way (speaking in terms of a different classification of homicides), the cases of poisoning brought up in 1900 were 66, against 16, 11, 40, 36, and 20 in the five previous years, counting backwards. That this increase in numbers merely means more vigilance or honesty on the part of the authorities is, to my mind, quite certain, and it is quite probable that the apparent number of these crimes will continue to increase.

"As to the class 'cupidity,' the sub-heading 'robbery' shows 45 cases, against 46 in 1900; the chief increase is in the sub-heading 'quarrels about lands and boundaries'—20 cases in 1901, against 12 in 1900.

"On the whole, then, the analysis of the causes of homicides is satisfactory, in the sense that the increase is chiefly due to causes where the public security authorities cannot be expected to influence the numbers by direct prevention.

"We thus see that the two categories of homicide and robbery with violence account for an increase of 92, leaving 166 to be accounted for by other crimes. An examination of the figures shows that, of these, no less than 70 are accounted for by cases of arson, which were, in 1900, 103, and in 1901, 173. These cases are for the most part confined to two or three provinces, and to a certain period—that of the ripening of the wheat—though there is a certain number of cases of burning of 'sakias,' or waterwheels. Most of these cases cause very little damage; in the 'sakia' cases, indeed, the damage is often practically none, but the nature of the crime is obviously very serious. The motive in every case is simple spite. Unluckily, proof is very hard to get, the crime invariably being committed at night, and, naturally, not in the presence of witnesses; consequently, though suspicion generally points to some special person or persons, it is very seldom that a case can be brought home to the offender. It is to be hoped that, in the coming season, the Public Security authorities may be able to take special measures of precaution in the districts where this crime is rife.

"Of the 94 crimes remaining, 'attentat aux mœurs' accounts for 21 (104 against 83). There is no other detail which calls for special remark."

There has of late years been a steady annual increase in the number of misdemeanours ("délits"). During the last decade they have risen from 28,137 in 1892, to 48,981 in 1901. Neither Mr. Corbet nor Mr. Machell, the Adviser to the Ministry of the Interior, is disposed to attach much importance to these figures. They think that the increase is mainly due to the growing tendency of the population to have recourse to the Law Courts in order to settle their disputes. I believe this view to be correct, and, if this be so, the symptom is in many respects healthy. I should add that the very large majority of the cases classed as misdemeanours are of the most petty and trumpery description.

Anthropometric Bureau.

The Anthropometric Bureau, inaugurated some years ago by Colonel Harvey, has been doing useful work. The number of recidivists identified under false names since the system was fully established has been as follows:—

Year.								Number.
1897	..	..	..	..	..	..	..	177
1898	..	..	..	..	..	..	..	330
1899	..	..	..	..	..	..	..	384
1900	..	..	..	..	..	..	..	509
1901	..	..	..	..	..	..	..	841

Many of the identifications were made after condemnation. This was to be expected, owing to the prisoners not having passed through the hands of the

measurers before sentence was given. As the service is still further developed, the identifications will be effected when the individual is accused, and, therefore, in sufficient time to have his antecedents brought up against him. As it is, since the middle of August last year, in forty-five cases, prisoners under appeal have been detected under false names, and with antecedents, in sufficient time to call the attention of the Procureur-Général to the fact, and enable him to take steps to have their real names and antecedents brought up against them.

It has been decided to do away with classification by measurement, and to rely entirely on finger-prints.

Prisons.

I have mentioned in previous Reports that the two main defects of the Egyptian Prison Administration formerly were: (1) that the accommodation was insufficient; and (2) that, owing to the adoption of the very faulty system of allowing many of the prisoners to be fed by their friends outside the prison, the maintenance of proper discipline was a matter of much difficulty.

As regards the first point, steady progress was made during the past year. A sum of about £ E. 25,000 was spent on building new prisons. Expenditure to the extent of £ E. 30,000 has been sanctioned for similar purposes during the current year.

As regards the second point, rations were, during the past year, issued to all prisoners confined in the central prisons, as well as to indigent prisoners in the local lock-ups. The cost of this change of system was partly covered by the prisoners' earnings, which, in 1901, amounted to about £ E. 6,600.

The total cost of the Prison Administration to the State, exclusive of building grants, was about £ E. 60,000, or at the rate of £ E. 6.7 per prisoner. As more money becomes available, it is proposed to create, from the proceeds of the prison industries, a fund for assisting discharged convicts to make a fresh start in life.

The prison population increased during the past year. The numbers were 9,357 (including 418 women and 103 juveniles) on the 31st December, 1901, as compared to 8,777 on the 31st December, 1900. On the other hand, the penal servitude convicts decreased from 2,058 to 1,972.

Some important reforms are about to be introduced into the Penal and Criminal Procedure Codes. Without entering into detail, I may remark that these reforms involve: (1) a reduction of costs in all criminal cases, and the adoption of a revised schedule as to imprisonment in default of payment of fine; (2) conditional sentences in the case of first offenders; (3) more severe penalties for old offenders (recidivists).

Hitherto, the costs have been so heavy that offenders have generally found it either impossible to pay them, or distinctly to their advantage to undergo a short term of imprisonment, rather than pay the sums in which they have been mulcted. Once in prison they ran the risk of being contaminated by association with bad characters. It is hoped that, with the change in the Law, payment of fines will become more frequent. Coles Pasha, the present very capable Director-General of the Prisons, anticipates a large reduction of the prison population, but thinks that, in future, heavier sentences will in general be imposed. He adds, in the note which he has addressed to me on this subject, "With these reforms I consider that prison legislation may be said to have been exhausted, and the administration of the Department in the future will depend entirely on the efficiency of its officers." I trust this may prove to be the case. The reforms, to which allusion is made above, are all in the right direction, but, as a matter of personal opinion, I may say that I rather doubt whether in Egypt, or, indeed, in any other country, a perfect solution has yet been found for the very difficult problem involved in the treatment of the criminal classes. I trust it may eventually be possible to move somewhat further in the direction of rendering punishment more reformatory, and somewhat less punitive, in cases where any real prospect of reformation may reasonably be entertained. How far the system, which appears to be excellent in principle, of increased severity to hardened offenders, will work in practice, must depend very largely on the manner in which the Judges exercise the discretionary powers, which must necessarily be conferred upon them. My hope is that they will not hesitate to make use of those powers.

The Reformatory.

During the past year, forty-five boys were discharged from the Reformatory and forty were admitted. Of these latter, twenty-six came from Cairo. The Judges at some of the other large centres appear scarcely to make sufficient use of the powers conferred on them by the existing law, to send boys to the Reformatory instead of to prison. Attention has been drawn to this point.

Of the sixty-two boys who have been discharged from the Reformatory during the past two years, thirty-five are doing well, eleven have been re-convicted, and twelve are classed as "doubtful." Of the remaining four nothing has been heard. The proportion of failures, or of cases where success has only been partial, is thus somewhat high.

Hashish.

The campaign against the use of hashish continues, and was attended, during the past year, with as great a degree of success as could reasonably be expected.

The best test of whether hashish is scarce in the country is the selling price in the Cairo and Alexandria markets. During the course of last summer it reached the hitherto unprecedented figure of 50 fr. a kilog.

The total quantity of hashish seized throughout the country by the coast-guard in 1901 amounted to 12,061 kilog.; by the police, 2,722 kilog.; and by the Customs, 1,126 kilog.

Only 85 hashish patients were admitted to the Lunatic Asylum at Abbassieh in 1901, as against 128 in 1900.

The new law which enables a public establishment, of which the occupier has allowed the consumption of hashish, to be closed temporarily, and, in cases of third offence, or where the occupier can be shown to have actually sold or supplied hashish, to be closed definitely, continues to produce good results. No less than 1,029 establishments were ordered to be closed in 1901, as against 975 in 1900, and 310 in 1899. I am informed, however, that many of the establishments which are closed reopen under another name.

The contraband trade in hashish is carried on principally along the coast west of Alexandria. It is very difficult to stop it. Bedouins, who are thoroughly well acquainted with the coast where it is contemplated to land hashish, are carried on board the ships engaged in contraband trade; the steamer, by day, lies some 10 miles off the shore, steams in at full speed just after dark, lands her contraband, and is 10 miles from the shore again in a few hours.

The Pilgrimage.

The new Rules about the Mecca pilgrimage, to which I alluded at some length last year, seem to have worked well.

The Khedivial Steam-ship Company alone accepted the conditions laid down by the Government, with the result that all the Egyptian pilgrims were conveyed by the steamers of that Company.

The pilgrims were repatriated without any intervention from the Government. The long and wearisome delays which heretofore occurred at Jeddah and Yembo were avoided. The pilgrims themselves appeared to recognize that the journey to and fro had never been performed under such favourable circumstances. The mortality in the camp at Tor, which amounted to 64 in the case of non-Egyptians, was only 06 in the case of Egyptian pilgrims.

I think it may be said that the question of transporting the Egyptian pilgrims to and from Jeddah has at length been satisfactorily solved.

Bakeries, store-houses, kitchens, and some other buildings have been constructed at Tor. The quality of the food supplied last year was good, and the quantity abundant.

The precaution of insisting, before the issue of a passport, on a deposit of £ E. 1, to cover the possible cost of maintenance, has resulted in reducing the number of indigent Egyptian pilgrims to sixty-one, or less than 1 per cent. of the total number of indigents during the year. Out of a total of 18,900 foreign pilgrims,

no less than 6,000, or 31 per cent., had to be fed at the expense of the Egyptian Government.

Hitherto the sick have been located in tents. During the past year two stone hospitals, each containing thirty beds, have been constructed. The accommodation for the sick is, however, still inadequate.

The question of providing barracks for the pilgrims is under consideration. As the pilgrim season gradually falls back into the winter, the necessity of replacing the tents, in which the pilgrims are now lodged, by masonry constructions becomes more and more apparent.

Further, it is very necessary to establish a pilgrim station at Suakin. Pilgrims from all parts of Africa cross the Red Sea on their way to Mecca, and on their return, under existing regulations, are required to go more than 500 miles north of Jeddah to undergo their period of quarantine or observation at Tor. The temptation to make their way back to the African coast by any sailing-boat that offers is too strong to be resisted, and the result is a wholesale disregard of Quarantine regulations by the Soudanese pilgrims, with proportionate risk to the Soudan. The matter is now under consideration.

Slavery.

The main interest of anti-slavery operations has now been shifted from Egypt to the Soudan. In Egypt proper it may be said that, for all practical purposes, the institution of slavery no longer exists. All that is required is a certain amount of care and watchfulness to maintain the position already acquired.

In the Soudan the case is different. In that country we are only at the commencement of the anti-slavery campaign. That success will be eventually obtained I cannot doubt. But it must be admitted that the difficulties are considerable. The most notable of these arise from the vast extent of territory which has to be guarded.

From all I hear, I am led to believe that, in spite of all the efforts of the Soudan Government, slave raids, accompanied with bloodshed, still occasionally take place in the southern districts of Kordofan and along the Bahr-el-Arab. The slaves are either sent westward or else eastward across the White Nile into Abyssinia, where they are easily sold. It appears, also, that the Barun tribe of negroes, whose country lies to the west of the Beni Shangul district, are periodically raided by the Abyssinians.

On the other hand, Captain McMurdo, the Head of the Anti-Slavery Department, reports;—

"The very considerable kidnapping business, which took place in the vicinity of all large towns in the Soudan shortly after the reoccupation, has much decreased. This is to be attributed to the energetic measures employed by the Soudan Government."

Notably, there are now but few cases of kidnapping at Suakin, which, Captain McMurdo says, "used to be a hot-bed" for offences of this description.

An important administrative change was made during the course of last year. It was decided to transfer the greater portion of the Slavery Camel Corps to the Soudan, with a view to operating along the Atbara, from its junction with the Nile as far as Assobri on the Atbara and Kassala on the Gash, whilst the Camel Corps at Suakin is to guard the Red Sea coast north and south of that district. The two Camel Corps are to co-operate in guarding the south-eastern exit of the Soudan.

An English Chief Inspector (Mr. N. Wilkinson) has been brought into the Department, and appointed to Khartoum, to collect all possible information concerning the slave traffic in the Soudan, and to organize the Atbara cordon.

In January 1901, a camel company, of about 100 strong, marched from Upper Egypt to the Atbara and made their head-quarters at Adarama, where a system of patrols up and down the river was carried out. This measure appears to have had the effect of arresting the traffic, and also of diverting it to the south and east. In more than one case, caravans of slaves have been driven into the hands of the Native Camel Corps of the Soudan Government in the Kassala district. It is certain that, in the Suakin district, the traffic has of late been much less active than formerly.

Captain McMurdo is now engaged in a tour through the eastern and south-eastern

districts of the Soudan. He will subsequently visit Kordofan. I do not doubt that he will be able to gain information which will be useful in connection with future operations against the slave raiders.

Before concluding this portion of my Report, I trust I may be allowed to add that, according to information received by Captain McMurdo, the Government of Erythræa has been more successful during the past year in its endeavours to suppress the traffic in slaves than at any former period. The Italian Government has always taken the greatest interest in this matter, but they have had to cope with difficulties as great as, and possibly even greater than, those which have been encountered by the Egyptian and Soudan Governments.

Alexandria Municipality.

The Alexandria Municipality, with the approval of the Egyptian Government, recently raised £ E. 500,000, at 4 per cent. interest. The money is to be spent on sanitation.

The National Bank of Egypt took up the loan at par.

Provincial Municipalities.

Local Commissions have now been established in twenty-four provincial towns. With the exception of Mansourah, all these towns depend on the Government for their receipts, which vary from £ E. 800 to £ E. 2,500 a-year.

At Assouan, arrangements have been completed for the supply of water from the foot of the Cataract to the principal parts of the town. Similar arrangements are contemplated elsewhere. At Ziftah and Kafr-el-Zayat, the question of sinking artesian wells is being studied. Contracts have been signed for lighting the towns of Helouan, Tantah, and Ziftah by electricity. At Beni-Souef, Luxor, and Kench, the Croizat system of lighting has been adopted. Other towns are following their example.

On the whole, I think it may be said that the first steps in the direction of local self-government have been attended with results as favourable as could reasonably be expected.

The case of Mansourah is exceptional. Rather more than three years ago the inhabitants of this town voluntarily imposed on themselves a tax to supplement the Government grant. In 1901, the total receipts amounted to £ E. 7,320, of which £ E. 2,750 was contributed by the Government; the balance of £ E. 4,570 was derived from the voluntary tax. The first period of three years, for which the inhabitants engaged themselves, expired on the 15th November, 1901. It was a matter of some interest to know whether they had been sufficiently satisfied with their experience to feel justified in engaging themselves afresh. Not only is this the case, but the budgetary provision for 1902 amounts to no less than £ E. 10,400. The future of Mansourah is, therefore, insured for a further period of at least three years.

I am informed that the inhabitants of Fayoum and Tantah have recently expressed a desire for the introduction of the Mansourah system into their towns.

Medical Administration.

The number of admissions to Government hospitals continues to increase. During 1901, 23,447 persons were treated as in-patients, as against 22,572 in 1900.

The steady increase in the amount of money received from treatment fees is a proof that the native population is beginning to appreciate the advantages of hospital treatment. The fees received at the Kasr-el-Aini Hospital in Cairo have risen from £ E. 349 in 1896 to £ E. 1,247 in 1901.

A process of administrative decentralization, which appears to have been attended with good results, took place in connection with the Sanitary and Medical Department in the course of last year. Heretofore, the construction and repairs of all hospitals, &c., were carried out by the Public Works Department. This work is now intrusted to the Director-General of the Sanitary Department, who employs his own staff of engineers, &c. Under his direction, about £ E. 16,000 was, during 1901, spent on enlarging or improving the hospitals and other buildings at Port Saïd, Tantah, Minieh,

and Alexandria, and about £ E. 3,500 on erecting slaughter-houses at various spots throughout the country. Extensive repairs to existing hospitals were also carried out.

Infectious Diseases.

Independently of plague, 3,622 cases, and 682 deaths from infectious diseases were notified during 1901, against 4,144 cases, and 1,027 deaths in 1900. Small-pox accounted for 1,883 cases, and 220 deaths. Cairo was comparatively free from this disease during the year, only twenty cases and four deaths occurring against 172 cases and forty-one deaths in 1900. This immunity was, without doubt, due to the very thorough re-vaccination of a large proportion of the population during 1900. The good results of efficient vaccination in preventing the spread of small-pox cannot be better illustrated than by what took place at Port Saïd in 1901, when an outbreak of the disease occurred in that town.

The population of Port Saïd is 47,500, of whom 35,000 are natives and 12,500 Europeans. 174 cases and 56 deaths from small-pox were reported from this town during 1901. Of these, 129 cases and 38 deaths occurred among Europeans, and 45 cases and 18 deaths among natives. This enormous disproportion was, without doubt, due to the lack of vaccination among the European population. It is possible to enforce vaccination among the native population, but among the Europeans, though vaccination is compulsory by the laws of the country, it is impossible to enforce it, as the Egyptian Sanitary Department has to depend on the Consuls of the various countries for the notification of births in their respective colonies, and these notifications are either sent with no information as to the residence of the parents, or are not sent at all, so that it is impossible to trace the children and prosecute the parents in the Courts if they refuse to have them vaccinated.

Over 30,000 of the inhabitants of Port Saïd were vaccinated between January and June 1901. After the end of June, no further cases occurred.

Small-pox, which in the province of Assouan was formerly very prevalent, has been almost entirely stamped out by more efficient vaccination. The Bisharin Arabs, who suffered greatly from the disease, especially in the camp at the south of the town of Assouan, are now free from it, and present themselves readily for vaccination, provided their names are not entered in the registers; this is not done.

I venture to commend these facts and figures, which are taken from a Report addressed to me by Mr. Pinching, the Director-General of the Sanitary Department, to those who are disposed to doubt the utility and efficacy of vaccination.

The Vaccine Institute, established in Cairo some years ago, is doing excellent service.

357 cases of diphtheria occurred in the town of Cairo during 1901, as against 210 certified during 1900. The difficulty of suppressing the ravages caused by this disease arises from the fact that many cases among the native population are not brought to the notice of the Sanitary authorities until after death has taken place. In all houses infected with diphtheria, and those in contact with them, the prophylactic treatment by the injection of anti-diphtheric serum has been practised on all surviving children, where the parents have accepted it. In houses where this treatment has been carried out, second cases of the disease have never occurred. It is regrettable that, in some cases, parents will not accept this treatment for their healthy children, who have been more or less in contact with the infection of diphtheria, as without doubt it offers a very real protection against the disease.

The general mortality in Cairo has shown a marked decrease during 1901, in comparison with 1900.

						1900.	1901.
Mortality	..	..	..	..	..	36 per cent.	32 per cent.
Excess of births over deaths	..	..	..	..	..	1,199	4,616

I give these figures, as it has been occasionally stated that the death-rate increased in Cairo during 1901, owing to the town being rendered unhealthy by the opening up of the streets with a view to laying the pipes required to carry off the rain water.

The Plague.

I annex to this Report (Inclosure 2) a Memorandum prepared by Mr. Pinching, in which a full account is given of the progress of the plague during the past year. The manner in which Mr. Pinching, and those serving under him, have combated the spread of this disease deserves the highest praise.

Quarantine.

A strong and apparently almost universal opinion seems to exist in Egypt that the present condition of affairs as regards Quarantine Regulations is very unsatisfactory. Numerous and, in my opinion, justifiable complaints have been made on this subject by the various Commercial Associations which are established at Alexandria. This is not the proper place to enter into any full discussion of this difficult and complicated question. I confine myself, therefore, to an expression of opinion that a revision of the Convention of Venice is much to be desired.

Village Sanitation.

During the past year, 227 cemeteries were condemned and other sites selected for them. Very few villages now remain in which it will be necessary to change the cemeteries.

The work of improving the sanitary condition of the mosques continues steadily. 1,179 village mosques were dealt with in 1901.

Mr. Pinching again draws attention to the fact that the birkets (ponds), which exist in the neighbourhood of nearly every village, constitute a danger alike to human beings and to animals. I trust that, sooner or later, it may be possible to deal with this important but somewhat difficult question.

Mr. Pinching also lays stress on the importance of opening up some of the larger streets through the towns, in order to provide for a free circulation of air.

Lunatic Asylum.

Since 1895, a sum of £ E. 21,000 has been spent on alterations and improvements in the Lunatic Asylum at Abbasieh. Of this amount, £ E. 5,000 was spent last year. The sanitary condition and structural efficiency of the building have both been greatly improved, but there can be no doubt that the accommodation for lunatics is altogether insufficient. Another Lunatic Asylum is much needed. Some slight relief has, however, been afforded by removing to the convict establishment at Tourah all the criminal lunatics, who were formerly confined at Abbasieh.

An increase in the European staff of the Asylum is also very necessary. I understand that an assistant to Dr. Warnock, the present very capable Head of the Asylum, is about to be engaged. The question of engaging some more qualified attendants, which is one of much importance, may possibly be considered in connection with the Estimates for 1903.

The most interesting medical work at present in hand at the Asylum is the observation of cases of insanity due to, or accompanied by, pellagra. A record of these cases is being published in European scientific journals.

Supply of Cattle.

The question of the supply of cattle in Egypt is becoming one of great importance. On the one hand, the demand, both for agricultural purposes and for purposes of slaughter, is steadily increasing, and is likely to increase still further when, by reason of the completion of the reservoirs, a considerable impulse will be given to agriculture

generally. Moreover, I hear from many quarters that large numbers of people, who before lived on vegetable diet, are now sufficiently wealthy to buy butcher's meat.

On the other hand, the supply so far has not kept pace with the demand. Severe restrictions are placed on the importation of live-stock, in order to guard against the danger of disease. Many owners of cattle, tempted by the high price of meat, kill cattle which would otherwise be used for agricultural purposes.

The matter has, I understand, occupied the attention of the Agricultural Society. The remedies would appear to consist in doing all that is possible to encourage cattle-breeding, and in arranging for the transport, during all weathers, of meat from the sea-ports to the inland towns. A trade in frozen meat has already sprung up. About 800,000 lbs. of Australian meat was landed at Port Said in the course of last year.

Rabies.

Twenty-two cases of rabies were reported amongst animals last year, as against nineteen in 1900. Over 180 persons were treated at the Anti-Rabies Institute, which is under the direction of the Italian Benevolent Society. This is an increase of forty over the number treated in 1900. It is probably owing to the existence of this useful institution that the number of deaths from hydrophobia fell from ten in 1900 to three in 1901.

Justice.

Mr. Mellwraith's Report, which is about to be published, deals fully with the progress made in every branch of the judicial system. I can add nothing to what he says.

Cotton Mills.

In my Report for the year 1898, which was published in the spring of 1899 ("Egypt No. 3" of 1899, p. 14), I made the following remarks:—

"During the last few years, several proposals have been made to the Egyptian Government with a view to establishing cotton manufactories in Egypt. At present, I need hardly say, Egyptian cotton goes to Europe—mostly to Manchester—paying a 1 per cent. export duty, and is reimported in the form of yarn and piece-goods, which pay an 8 per cent. *ad valorem* import duty. There can be no sort of reason why the Government should oppose any proposal which involves placing the home-made on precisely the same footing as the imported goods. On the other hand, it would, for obvious reasons, be detrimental to both English and Egyptian interests to afford any encouragement to the growth of a protected cotton industry in Egypt. This is what the proposals so far made involve. Whether the industry can thrive without protection is a point on which I am not qualified to express an opinion."

On the 21st September, 1899, the Egyptian Cotton Mills Company (Limited), issued a prospectus which contained the following passage:—

"Up to the present time, no cotton mill has been erected in Egypt, but considerable quantities of yarn are woven into cloth by the natives by means of primitive hand looms. In order to erect the necessary machinery for a mill, formal authority must be obtained from the Egyptian Government. The necessary Concession or Act of Authorization was granted by the Ministry of Public Works of the Egyptian Government in 1893, and duly published in the "Official Gazette," and will be transferred to the Company when the requisite formalities have been complied with.

"This Authorization or Concession contains no stipulation as to the payment of duties on the yarns and goods manufactured, while there is a duty imposed on all such goods imported into Egypt equal to 8 per cent. upon their value, and there is reason to believe that no other Authorization for the erection of a cotton mill will be granted which does not provide for the articles produced being placed, in every respect, on the same footing as imported goods."

I may mention incidentally, as regards the last sentence in this prospectus, that the statement that no Authorization for the erection of a cotton mill would be granted which did not provide for the articles produced being placed in every respect on the same footing as imported goods, was quite correct. On the other hand, the inference

which might perhaps not unnaturally be drawn from the statement, to the effect that this Company would enjoy a monopoly of protection, would, under any circumstances, have been erroneous. If, for whatsoever reason, no excise duty had been imposed on the articles manufactured by this particular Company, a similar treatment would, of course, have been accorded to all other cotton-milling Companies.

This, however, is not the main point at issue.

In deciding to follow the precedent set by the Government of India, of placing home-made and imported cotton on exactly the same footing, the Egyptian Government acted with my full concurrence and support. I do not consider that, in Egyptian interests, it would be at all desirable to imperil the considerable revenue derived from the customs duties on cotton goods by the creation of an industry which would very probably have had to depend mainly on protection for its existence. I regret in this matter to have found myself, so far as I can gather, out of harmony with a body of local opinion for which I entertain a sincere regard. The matter is, I need hardly say, one on which very diverse opinions may reasonably be held. I do not propose to enter into a discussion on the economic aspects of the question. The arguments employed have, for the most part, been those usually put forward by the advocates respectively of free trade and protection. To free traders the action taken by the Egyptian Government requires no defence. I fear that nothing I can say will be likely to convince confirmed protectionists.

Whilst in Egypt the measure now under discussion has been adversely criticised by protectionists, in England the Egyptian Government has been accused of acting in a manner injurious to British interests. This argument needs but little comment. The decision of the Egyptian Government was based solely on what it considered, rightly in my opinion, to be in the true interests of Egypt. Nevertheless, there cannot be a doubt that, incidentally, European—in this case mainly British—interests would suffer from the adoption of a protectionist policy in Egypt.

I have only to add that by a recent decision of the Court of Appeal, which reversed the decision of the Court of First Instance, the legality of the action taken by the Egyptian Government has been placed beyond all manner of doubt. Whatever may be thought of the economic aspects of this question, there can be no doubt that, from a strictly legal point of view, the Egyptian Government has throughout stood on very strong ground. Nevertheless, the satisfactory result which has been obtained is possibly, in no small degree, due to the clear and powerful manner in which the Government case was put before the Court by M. Rocca Serra.

I fear that the pecuniary interests of the small body of shareholders in the Egyptian Cotton Mills Company will be adversely affected by the recent decision. This is greatly to be regretted, as many were not improbably in ignorance of the risks they were running. So far as Egyptian investors are concerned, I take this opportunity of repeating the warning I have given on many occasions, and notably in my Report for the year 1899 ("Egypt No. 1" of 1900, p. 32), when I said that Egyptian investors would do well to "carefully examine for themselves, with the aid of competent friends, the merits of each special proposal, whether it be put forward by Europeans or by their own countrymen."

Education (General).

For a long time past—indeed, ever since the days of Mehemet Ali—attempts have been made to provide for the instruction of the people of Egypt. The efforts of those who guided the reforms in this connection were always well intentioned, but they were not unfrequently spasmodic and misdirected. The fringe of various educational questions was from time to time touched, but it cannot be said that anything approaching to a sound and feasible general educational policy was conceived; at all events, if conceived, it was certainly not executed, for, apart from the withering influence of bankruptcy, which fell on the country in the days of Ismaïl Pasha, the frequent changes of personnel rendered any continuity of policy or administration impossible.

Of late years the aim of the Government has been twofold. In the first place, it has wished to spread as widely as possible, amongst both the male and female population, a simple form of education, consisting of an elementary knowledge of the Arabic language and of arithmetic. In the second place, it has wished to form a highly educated class suitable for the requirements of the Government service.

I shall presently show, in some detail, what progress is being made through the agency of village schools towards the attainment of the first of these two objects; and I shall allude more specifically to the conditions of the particular schools and colleges which form a necessary adjunct to the attainment of the second object. For the moment, however, I wish only to allude to an important step taken last year with a view to removing certain defects which, as experience had proved, existed in the general educational policy of the Government, as previously practised.

It was found that of late years the number of candidates who presented themselves for the secondary certificate examination has been steadily decreasing. Only 240 candidates presented themselves for examination in 1901, as compared to 272 in 1900 and 257 in 1899. On the other hand, in spite of the examination fee having been three times raised, the number of candidates for the primary certificate examination rose from 1,560 in 1899, to 1,753 in 1900, and again to 1,915 in 1901.

From a consideration of these figures, it was abundantly clear that many Egyptian parents regarded the attainment of the primary education certificate as the final aim of education.

The country in general would inevitably suffer by a continuance of this condition of affairs, for, in the absence of a sufficient number of young Egyptians who have obtained the secondary certificate, the Government would necessarily be obliged to fall back, in appointing to the Civil Service, on those who have only obtained the primary certificate. Indeed, the diminution in the number of candidates at the secondary certificate examination may be attributed to the regulation, which placed the primary certificate on the same footing as the secondary certificate as qualifying for appointments in the Government service. The secondary certificate, like the primary certificate, admitted only to the lower division of the Civil Service, and the primary certificate sufficed for promotion from the lower to the higher division. Young Egyptians, who were not specially attracted to professional careers, preferred to find any opening in the lower division of the Government service immediately on obtaining the primary certificate rather than to follow the long, arduous, and relatively expensive course of study in the secondary schools and higher colleges.

It cannot, moreover, be doubted that many pupils have heretofore entered the primary schools whose parents could not afford the additional expense involved in continuing a secondary course of education. I do not doubt that in a great many cases it would be far more in the interests both of the boys themselves and of their country if, instead of attending the primary schools with a view to obtaining some subordinate Government employment, they were sent to the village schools, with a view eventually to gaining an honourable and useful living as artisans, &c. The technical schools about to be instituted, to which I will presently allude more fully, will, I trust, prove of special service to this class.

A two-fold remedy has now been applied.

In the first place, the fees in the higher primary schools have been raised to £ E. 5 a-year for day pupils, with a corresponding increase in the case of boarders.

In the second place, it has been decided that, for the future, candidates appointed to Government employment with only the primary certificate shall not be eligible for posts carrying with them a salary of more than £ E. 10 a-month.

Both of these charges are, I venture to think, thoroughly sound in principle. I hope and believe that they will prove of benefit to the cause of Egyptian education generally.

Now that the primary certificate examination is the main avenue to Government employment, it is of some importance to watch in what proportion the different communities of the population are represented among the successful candidates. Of those successful at the examination last year, 483 were Moslems, 269 Christians, of whom 231 were Copts, and 5 Jews. It thus appears that, although 93 per cent. of the Egyptian population are Moslems, only 63 per cent. of those who may be taken to represent the class from which the public service can be recruited, are of that creed. This, I need hardly say, does not arise from any preferential policy in favour of Copts; the large majority of the pupils in attendance at the Government schools are, in fact, Mahomedans. It results from the greater interest and activity shown by the Coptic community in the promotion of the education of their children, and from the greater alertness and perseverance which the Copts, as a class, seem to display. It is highly desirable that Mahomedan activity in educational matters should be still further stimulated.

It may be of some interest to state what have been the after-careers of the 895

students who, since June 1897, have obtained the secondary certificate. This information is given below :—

Continuing their education either in the Egyptian Government higher colleges or in private colleges in Egypt or abroad	261
In Government employment	407
In private employment	142
Unemployed	39
Dead	30
Unknown	13
Total	895

These figures render it clear that, for the time being at all events, a young Egyptian who obtains a secondary certificate can readily find employment. In fact, the demand is at present in excess of the supply.

Female Education.

The rapidity with which the number of girls in the schools brought under the control of the Public Instruction Department has increased of late years is still maintained in a remarkable degree. Taking into account all classes of schools belonging to the Egyptian Government, or inspected by the Public Instruction Department, the total number of institutions at which girls were in attendance last year was 468, with 3,279 girls, as against 271, with 2,050 girls, in 1900.

The number in attendance at the two higher primary girls' schools of the Egyptian Government last December was practically the same as in 1900, but an improvement of 5 per cent. is to be noted in the number of paying pupils. This improvement, though slight, proves that, in the case of girls, some parents are beginning to appreciate the value of education. Last year, for the second time in the history of the primary certificate examination, girls presented themselves, there being 15 girl candidates, in addition to 1,900 boy candidates. Of the girl candidates, 13 (6 professing English and 7 French as their foreign language) came from the two higher primary schools of the Egyptian Government; 7 Egyptian girls—5 English-speaking and 2 French-speaking—obtained the primary education certificate.

The amount of the grant-in-aid given to the village schools ("kuttabs") is calculated on the average attendance. With a view to affording some special encouragement to female education, the attendance of one girl is counted as equivalent to that of two boys. This differentiation of the grant-in-aid in favour of girls has already had an excellent effect in increasing the number of girls in attendance at the "kuttabs."

Village Schools ("Kuttabs").

There are some 10,000 of these schools scattered over the whole country, and attended by about 200,000 children, but for the most part they are of little educational value. As a rule, they are kept by poor men, who earn a living mainly as hired reciters of the Koran. The schools are often housed in ill-lighted and unsanitary premises. The teachers are generally illiterate; many of them are blind; they frequently absent themselves from their duties. The teaching is purely by rote, and is in most cases limited to learning the Koran by heart.

An endeavour to build up an efficient system of popular education upon such elements was certainly not promising. But it was the only practicable plan. To establish small Government schools in every village and quarter was, and is, beyond the resources at the disposal of the Government; neither is it at all certain that such schools, even were their establishment possible, would secure as firm a footing as the indigenous institutions. It was, therefore, determined that some tentative efforts should be made to improve the schools already in existence.

In 1897, in pursuance of this policy, the experiment of trying to bring a number of independent "kuttabs" voluntarily under Departmental supervision, by means of a simple system of grants-in-aid, was initiated. The award of these grants was made dependent upon instruction being given daily in reading, writing, and the four rules of arithmetic, and upon the school placing itself under Departmental supervision and

being favourably reported upon by the Government Inspector. The number of private "kuttabs" under Government inspection has risen from 301 in 1898 to 925 in 1901, and the total amount awarded in grants-in-aid from £ E. 495 to £ E. 2,138.

The efforts of the Department of Public Instruction have been so far directed, not so much to testing the exact state of efficiency of the schools, as to helping the teachers to improve them and to interesting the people in their welfare. The number of teachers brought under supervision has increased from 499 (of whom 9 were women) in 1898, to 1,364 (of whom 12 were women) in 1901. The number of pupils has increased during the same period from 2,534 (of whom 398 were girls) to 26,831 (of whom 2,140 were girls).

It cannot, I think, be doubted that a very general interest has been awakened in these schools. One danger, which was to some extent to be feared, has, I hope and believe, been averted. This danger consisted in the risk that native public opinion would condemn reform in these time-honoured institutions, on the ground that the introduction of secular education might diminish the value of religious teaching. So far as I can gather, the groundlessness of this apprehension is becoming daily more and more recognized.

In addition to the 925 independent "kuttabs" under supervision, the Public Instruction Department had under its direct control, during the past year, 87 "kuttabs," with a staff of 116 male teachers and 5 female teachers, and attended by 3,771 boys and 759 girls. 71 of these Government "kuttabs" are in Cairo, and 16 in the provinces.

A great improvement has been effected in the teaching staff of these schools. In the fifty-eight "kuttabs" which have been under the management of the Public Instruction Department for some twelve years, practically all the head teachers, and four-fifths of the assistants have passed the Departmental examination for teachers in "kuttabs," and similar progress may be hoped for in the schools which have more recently come under the Department. The improvement in the teaching staff has been reflected in a marked degree in the tone and discipline of the schools, and in the work and attainments of the scholars. In spite of the serious defects in the buildings and their equipment, these "kuttabs" are in all respects superior to the private "kuttabs" of the country. A child in attendance at any one of the former, besides receiving the usual instruction in the Koran and the principles of Islam, now obtains a good vernacular primary education. Twenty-three of the pupils in these schools presented themselves during the past year for the professional examination for assistant teachers in "kuttabs."

The additional money which has now been placed at the disposal of the Ministry of Public Instruction has enabled a decided advance to be made in the direction of improving and extending elementary education. The expenditure on "kuttabs," both Government and private, for the current year has been fixed at £ E. 11,000. The money will be spent mainly on providing a competent staff of Inspectors, and on increasing the sums available for subventions to schools which are held to come up to the requisite standard of efficiency.

On the whole, it may be said that a fair commencement has been made in the direction of improving the village schools.

The main requirements of the immediate future are (1) an improvement in the attainments of the teaching staff; (2) the provision of suitable buildings.

Training Colleges for Teachers.

There is a pressing need in the higher primary schools throughout Egypt for trained teachers. The difficulty of meeting the demand has become greater owing to the transfer, last year, of trained teachers from the schools and "kuttabs" of the Public Instruction Department to the Soudan Education Department, and in consequence of the introduction, last October, of the teaching of English in the class of the first year in the higher primary schools. The numbers in the training colleges for teachers are quite inadequate to the needs of the country, neither do they show any promise of increase.

There are three training colleges in Egypt, namely, the Nasrîh for male teachers of Arabic; the Tewfikîeh, for male teachers of English, &c.; and the Sanieh, for female teachers of both Arabic and English. This latter was only instituted in October 1900.

Only eleven male students obtained diplomas at the examination in June 1901. There were eighty-six male and six female students under instruction last December.

School of Law.

The total attendance of 119 (38 in the English and 81 in the French section) at the School of Law consists exclusively of paying students. Mr. McIlwraith, who has been Presiding Examiner in the school for four successive years, reports as follows:—

"I had the honour, as usual, of presiding at the examinations of the School of Law on the 7th June last, and though I found that this time the candidates of the third year were not, in general, very satisfactory, those of the fourth year—who had, therefore, completed their curriculum—attained for the most part a very fair level of excellence."

Mr. McIlwraith adds: "The English section has now entered upon its third year, and is in a flourishing condition. The lectures in Civil Law and Civil Procedure are given by two Judges of the Court of Appeal (Messrs. Willmore and Halton), and their long experience in the Courts enables them to give a practical turn to their teaching which cannot fail to be of the greatest value to the students; while Mr. Sheldon Amos has proved himself an efficient and energetic auxiliary to the English section, both as a capable lecturer on political economy, and by rendering valuable assistance in the organization and supervision of the debates which now take place at the school."

Technical Education.

I have, on several recent occasions, alluded publicly to the great importance of doing all that is possible to encourage technical education in Egypt. The great and increasing demand for skilled native labour is far in excess of the supply. The growing requirements of the Railway Administration, the establishment of light railways, the introduction of electric tramways, the extension of irrigation, the more frequent use of machinery in agriculture, the development of the Soudan, the increase in building activity, the growth of private enterprise in manufactures and trade—in short, every step that the country takes in advance obviously leads to new demands for skilled native labour. The scope for its employment is thus becoming greatly extended. Any movement which tends to divert the natural inclinations of Egyptians from an office career to skilled industry is, therefore, calculated not only to benefit those who come under its influence, but to aid materially in furthering the development of the country.

I am glad to be able to record that a remarkable impulse has been given to technical instruction during the past year.

In the first place, about £ E. 6,000 has, on private initiative, been subscribed for the construction of a technical school at Alexandria. I welcome this movement very cordially, not only by reason of the intrinsic usefulness of the institution, which it is intended to found, but also because I hope it may be regarded as some indication that the Egyptians are beginning to take some real practical interest in the management of their own affairs.

In a country ruled as Egypt has been ruled in the past, it is but natural that undue reliance should be placed in Government initiative and action. Further, in a country where the reforming and progressive impulse is almost wholly supplied by an alien race, it is but natural and inevitable that, in spite of all appearances, a slight, but, nevertheless, very pernicious tendency should exist to regard the action of the Government as somewhat out of harmony with legitimate native aspirations, if not wholly antagonistic to them. There cannot, however, be a greater error. Much of the present prosperity of Egypt is due to the fact that, for several years past, mutual confidence has been established between the Egyptian Ministers and their British advisers and subordinates, who have thus co-operated heartily together. It is greatly to be desired that the circle in which this mutual confidence exists should be extended, and that the co-operation of other Egyptians who hold important, albeit often unofficial, positions, should be secured. The existing régime, which cannot, without great injury to the interests of the vast majority of the Egyptians, undergo any serious or radical change for a long time to come, affords ample scope, not only for Egyptian co-operation, but also for the exercise of Egyptian initiative. The move-

ment in favour of technical instruction is a case in point. I trust that it may serve as a precedent for analogous movements in other directions.

I have no wish whatever to interfere or to advise as to the special method which should be adopted in connection with the management of the school which is about to be founded at Alexandria. But I venture to express an earnest hope that great care will be exercised in order to insure its success. A word of warning on this subject will perhaps not be taken amiss, for, holding the views which I have enunciated above, I must confess to a feeling of some disappointment at the results occasionally obtained in connection with somewhat similar experiments. The management of the Fayoum Railway is a case in point. A failure of this sort is, of course, no reason for serious discouragement as regards the future, but it points to the necessity of care and deliberation in the initiatory stages of any undertaking at all similar in character.

In addition to the school at Alexandria, to which allusion is made above, the Government has decided to expend £ E. 15,000 in the construction of a model workshop in Cairo for the training of artisans in the different trades, such as iron-work, carpentry, leather-work, &c. It is proposed to confine the training entirely to the children of the poorer classes, and, if possible, to those of the artisan class. The course of instruction will be gratis. The shops are designed to afford instruction for 200 boys.

The Boulac Technical School, which has been in existence for some years, affords a higher class of education than those schools which are about to be founded at Cairo and Alexandria. It aims not only at giving the pupils who pass through it a sound workshop training as mechanics, smiths, founders, joiners, decorative painters, engravers, or telegraphists, but also seeks to give them further instruction in the arts and sciences, which underlie the various crafts they will eventually ply. Each pupil spends at least thirty hours per week in the workshop, and, except in the case of the telegraphists, six hours at the drawing bench. The demand for ex-pupils of this school is always in excess of the supply. All the seventy-eight pupils who completed their course of study last year immediately obtained employment at salaries ranging from £ E. 3 to £ E. 10 per month. Among them were three Turks sent by His Imperial Majesty the Sultan to complete their studies in the school; these have returned to take up employment in the "École des Arts et Métiers" at Constantinople. Of the others, fifty-three found work in the Railway and Telegraphs Administration, ten in the Public Works Department, seven in other Departments of the Egyptian Government, one under the Soudan Government, and four in private engineering works. The school has outgrown its present accommodation: new premises are required.

The number of pupils in the Mansourah Technical School being insufficient to warrant the maintenance of an establishment on the Boulac model, the Public Instruction Department last year transformed it into an industrial school for carpentry and joinery. It is too early yet to say what effect the change will eventually have on the fortunes of the school, but it is believed that, by attracting a larger number of pupils, it will widen its sphere of usefulness.

School of Agriculture.

In October last, the beginning of the school year, there were twenty-six applicants for admission to the School of Agriculture. Eighteen new pupils were admitted, of whom eight were Europeans. Of the total number of pupils at present in attendance, 41 per cent. are Europeans; the number of Europeans applying for admission to this school increases year by year, in spite of the fact that the school fees which they have to pay were raised a year ago.

Thirteen pupils obtained the diploma of the school at the final examination in June 1901. Ten of these have been employed in various private capacities. One of the pupils, who obtained the school diploma in June 1900, has just been selected for a post in the Soudan Civil Service as agriculturist. Two other pupils of the school were appointed to that service in 1899.

Good progress is now being made with the new school buildings, and probably by February of next year the school will be housed in a building specially designed for educational purposes, and properly equipped with chemical, physical, and botanical laboratories.

There is no useful or trustworthy book in any language on Egyptian agriculture, and none at all in the English language. The school authorities have undertaken to remedy this defect in the course of next year by bringing out a book which

will be the work of experts working in collaboration, and qualified for this important task, not only by their scientific attainments, but also by their practical familiarity with the special conditions of Egyptian agriculture.

School of Engineering.

I have, on previous occasions, dwelt on the defects of this institution. It has, of late, somewhat improved. Mr. Webb, the Director-General of Reservoirs, who presided at the annual examination last June, reports: "That considerable improvement both in the course of studies pursued and the standard of technical education acquired by the students, has taken place during the past two or three years, is apparent to any one who has read the reports of former examiners, and known the students who formerly passed out of the school into the Public Works Department."

At the same time the condition of affairs is still far from satisfactory. The school buildings are bad, but the main reform required at this institution is, in Mr. Webb's words, that some "radical changes should be made in the teaching staff of the school."

The number of new entries in the Polytechnic School last October was smaller than in any other of the professional colleges. Ten students were successful at the diploma examination last June, and have all obtained Government employment—six in the Irrigation Department, and four in the State Railways Administration at a salary of £ E. 8 per month with allowances. The demand for native engineers in the Public Works Department and in the Railway Administration, as well as in private firms, is far in excess of the supply. It is not satisfactory that the annual output of the only civil engineering school in Egypt should show so little promise of becoming equal to the pressing needs of the country.

School of Medicine.

The total number of students attending the school of medicine is sixty-eight. For the first time in the history of the school all the students who joined in October paid the full school fees.

Under the old system, when students were paid, a number of young men joined the school with the sole object of obtaining the money whilst waiting for something else to do, or in the hope that they would be paid whether they worked or not. The unanimous opinion of the professors of the school is that the class of students is steadily improving. There is now very little trouble with students who refuse to work, while formerly the difficulty was to induce a small minority to take their medical education seriously.

The number of diplomas granted during the year 1901 was eleven. The demand for medical men being still somewhat greater than the supply, these young men have all obtained employment in the Government service. As, however, there is every probability of an increased supply of qualified young men during the next few years, and as the supply has now almost equalled the demand, it is to be hoped that, within the next two years or so, it may be possible to induce freshly qualified men to remain at the school for a post-graduate year of study. One of the main objects in view in reorganizing the School of Medicine was to introduce a system which would, by force of circumstances or, in other words, by creating a sufficient supply of medical men, oblige those who wish to succeed in their profession to carry on their studies for a longer period.

A great want experienced until lately by all engaged in original medical and allied scientific work in this country, was the need for a library containing books of reference. The library of the School of Medicine contained a fair number of books, but they were mostly antiquated works. This defect has now been in some measure remedied. During the last few years carefully-selected works in all languages have been acquired. The total number of books in the school library is now over 5,000.

On the whole it may be said that the reforms instituted in this school since 1897, when Dr. Cooper Perry reported on the measures of reorganization required, have proved thoroughly successful.

Veterinary School.

I mentioned in my last annual Report that a school for the training of veterinary surgeons was much required in Egypt. Such a school has now been established. It accommodates eighteen students. Forty-eight young men underwent a competitive examination to enable the authorities to decide who should be admitted. The students will pass through a course of instruction, extending over three years, before receiving diplomas. The instruction will be made as practical as possible.

Agricultural Society.

During the past year the number of members of the Society has been fully maintained; the amount received in subscriptions exceeded that of any previous year.

The Annual Agricultural Show was held at Cairo in the month of January, and proved a decided success. The exhibits of machinery, animals and produce, showed an advance in comparison with previous years. Practical trials under ordinary conditions were held of pumps and ploughs. These latter trials show that serious and successful attempts are being made to introduce improved ploughs, suitable to the agricultural conditions of the country.

For the first time, a provincial show was held at Tantah. It was confined entirely to animals, and was very successful. It is proposed to extend the system of local shows.

The question of the improvement of local breeds of cattle has been occupying the attention of the Society. Owing to the considerable rise in the price of working animals it is thought that, by extending and encouraging breeding, great benefit will result, not only in increasing the number of cattle in the country, but also in improving their quality. With this aim in view the Society intends, as soon as its funds permit, to establish good bulls in the different districts, and to place them at the disposal of the agriculturists for breeding purposes.

The Society has now two experimental farms completely stocked; one at Ghizeh, of 100 acres, and one at Mit-el-Diba, in the Gharbieh province, of 220 acres. During the past year farm buildings have been erected at the latter station. The results of experiments conducted by the Society have led to a very considerable demand for chemical manures. With a view to encouraging the use of such manures, the Society decided to import considerable quantities, and to place them at the disposal of members at cost price. Orders have already been given to the extent of 6,000*l.*, and there is every prospect of a much greater quantity being demanded in the near future.

For some while past the quality of Egyptian cotton has gradually deteriorated. This is caused chiefly by the use of mixed seed. The Society has, during the past year, distributed 10,000 bushels of selected seed to small cultivators. This has been of considerable benefit, but it is felt that other steps are necessary. The seed of the different varieties of cotton cultivated in Lower Egypt are not distinguishable by their appearance; consequently, the only means of arriving at pure seed is to cultivate certain areas with the best seed obtainable, and, during growth, to dig out those plants which are not of the variety sown. The Society has requested certain well-known and successful growers of cotton, as well as the State Domains, to proceed on this plan. It is hoped that pure seed will thus be obtainable during the next season for a large area of land, and that the quantity will be still further increased in future seasons. In view also of the important extension of cotton cultivation in Upper Egypt, the Daira Sanieh Administration has consented to conduct a similar experiment on 70 acres of land in that district.

Another question which is occupying the attention of the Society is a banana disease, which is causing great damage in the country, more especially in the neighbourhood of Alexandria, where large areas are planted with this fruit. From the evidence at present collected it appears that the disease is caused by large numbers of Nematode worms. The matter is being studied, and attempts will be made to combat the pest.

The journal of the Society, which is printed in three languages, continues to be much appreciated, and has an extensive circulation.

The Government has advanced to the Society a sum of £ E. 5,000, for the

purpose of providing more suitable accommodation for animals exhibited at the Cairo Agricultural Show, in addition to machinery sheds in which to place the machinery and implements whilst on view.

Horticultural Society.

During the past year three shows, under the auspices of the Khedivial Horticultural Society, have been held, viz., the General Horticultural Show in March, a Chrysanthemum Show in November, and a Rose Show in December. The latter show was a first attempt, and the result was sufficiently encouraging to justify the Society in deciding on its repetition.

The results of the efforts of the Society are apparent in the introduction of many new varieties of flowers, and a desire on the part of amateur and professional gardeners to improve existing varieties.

The improvement in the cultivation of vegetables amongst the Egyptians is also very apparent, the quality of those exhibited at the Society's Show attaining a higher standard every year.

Prevention of Cruelty to Animals.

I regret to say that during the past year the Society for the Prevention of Cruelty to Animals lost the services of their Honorary Secretary, Mr. T. B. Hohler, under whose auspices great progress was made in the furtherance of the objects for which the Society was created. On Mr. Hohler's departure, his place was taken by Mr. Horace Rumbold.

I must refer those interested in this subject to Mr. Rumbold's annual report for detailed information as to the financial position, and as to the work performed by the Society.

I need only here state that the efforts of the Society have certainly resulted in a great improvement in the condition of the donkeys and cab-horses employed in the large towns; that efforts are now being made to extend the operations of the Society to Luxor and other provincial towns; and that a law has been framed, and will, it is hoped, shortly be passed, to put a stop to the cruelty with which animals not employed for domestic purposes are often treated in this country.

Zoological Gardens.

These gardens, which have heretofore been under the superintendence of the Ministry of Finance, have now been handed over to the Public Works Department.

The elephant-house, commenced in 1900, was finished in March 1901. A lion-house, as well as a large aviary for African birds, were constructed during the past year.

On the 6th October, 1901, 770 mammals, birds, and reptiles, representing 179 species, were on exhibition, as compared to 670, of 169 species, on the same date in 1900.

52,711 persons visited the gardens during 1901, as compared to 44,296 during 1900. The gate-money amounted to £ E. 1,114 in the former, as compared to £ E. 976 in the latter year.

Students and schools are now admitted free.

Nile Fish Survey.

The work of collecting has now been almost completed. It is certain that when the fish caught have all been examined, it will be found that a considerable number of new species have been discovered. So far, some thirteen new species, most of them coming from the White Nile, have been described by Mr. Boulenger, of the British Museum. The results of the collecting in that river were so satisfactory that, after a short trip up the Blue Nile, Mr. Loat has returned to the White Nile, and is now working at the sudd.

Satisfactory progress has been made with the drawing of the plates, but a considerable time must elapse, after the completion of the collecting, before the work undertaken by Mr. Boulenger can be published.

The Antiquities Department (Egyptology).

Under the able direction of M. Maspero, this service can show improvement in all its branches.

At the beginning of 1901 a special credit of £ E. 578 was granted by the Ministry of Finance, in order to enable the inspectors to travel more continuously. The results have been satisfactory, as the monuments are now under far better supervision than was formerly the case.

M. Maspero reports that he has observed a steady deterioration in certain of the older monuments, necessitating immediate repairs. This deterioration is chiefly due to the natural process of decay, but in some cases it is due to the fact of the earth covering the monuments having been removed, without repairs having simultaneously been taken in hand. Amongst the monuments which have suffered thus, he instances the temples at Abydos, Luxor, Gournah, and Edfou. This last is in a dangerous state, and measures are now in progress for its speedy consolidation.

At the Temple of Abou Simbel, M. Maspero deplores the habit of tourists of climbing on to the knees of the Colossi, with a view to taking photographs. This has caused the existing cracks to widen, and he fears that large fragments will shortly fall.

Repairs were undertaken upon many of the monuments, and a considerable number have now been provided with walls and gates.

The tomb of Amenhotep II, at Thebes, was lately broken into by robbers, who burst the iron gate, and searched the Royal mummy in the hope of finding treasure. Not finding this, they contented themselves with removing the wooden boat, which was placed in the outer chamber. Fortunately, the mummy suffered little harm. It seems incredible that such an entry should have been possible without the connivance of the armed guardians permanently stationed at this tomb. The matter is at present under inquiry by the police, and several persons have been arrested on suspicion.

The excavations are, as usual, mostly in the hands of private Societies or of individuals, who share their finds with the Museum Service. The Department itself carried out excavations at a cost of about £ E. 1,660 in 1901. 584 new objects have been added to the collection, some of them of much interest and value. The tourist fund brought in £ E. 3,213 in 1901, the Salle des Ventes, £ E. 913, and the sale of "sebak" (refuse on the sites of ancient towns and villages) £ E. 525.

£ E. 248 was expended on additions to the Museum library.

At Karnak the whole of the fallen columns have been removed, and the foundations levelled and cleared. An experiment on a small scale is to be tried in the course of this year by rebuilding some of these columns upon a new and better foundation. In all £ E. 1,992 was spent upon repairs at Karnak in 1901. Many important statues were discovered during the excavations.

A project regulating the law for removing "sebak" has been approved by the Government, and is now in force. Some modification in the law regulating the sale and transport of antiquities is at present under the consideration of the Government lawyers.

Good progress was made during the past year in the preparation of the catalogue of the Museum. Two volumes have been published, viz., those on Ostraca and on metal vases. Two others (on Coptic monuments and objects discovered by M. Loret at certain sites) will very shortly be published. Two more (stone vases and stelæ of Middle Egypt) are well advanced towards publication; and lastly, the proofs of three more (tombs of the Middle Empire, Græco-Roman stelæ, and votive tablets) have been sent to their authors for correction.

The Philæ Temples.

The construction of the Nile Reservoir at Assouan will involve the annual submersion of a portion of the temples situated upon the Island of Philæ. This is

much to be regretted, but it was unavoidable, as the Assouan Cataract presented such advantages over every other site as to render its selection imperative. The Egyptian Government decided, in consequence, to take all possible steps to preserve a record of these monuments as they existed prior to the rise in the water levels, and also to lessen any danger which might arise from the annual inundation. With the first object in view, a volume, prepared by Captain Lyons, R.E., was published in 1897. It gives a full account of the temples and other structures on the island, and is furnished with photographs and detailed drawings of the buildings as they then stood.

In order to attain the second object, a careful study of the foundations was made during the summer of 1901. Early in April a special staff was engaged for the purpose. Shafts were sunk alongside the foundations of the different buildings, and the nature of the soil and the depth of the rock were examined and ascertained. This work was completed, at a cost of £ E. 1,000, before the arrival of the flood, and complete drawings and estimates were prepared.

After a close study of the question, and acting upon the advice of Sir Benjamin Baker, the Government decided to underpin the foundations, the method employed differing in each case, according to the nature of the foundations.

Briefly, the following plan has been adopted. Wherever cross walls exist, upon which to support them, steel girders are introduced under each column and wall. These girders are then built over with masonry, and, finally, cement grout is poured in to fill up all interstices. Where girders cannot be employed, the space between the bottom of the existing foundations and the permanent saturation level is filled up with masonry, laid in cement. As the foundations of the great Temple of Isis were proved by Captain Lyons to descend everywhere to the solid rock, it was decided to limit the operations to the consolidation of the following structures:—

1. The eastern colonnade and the adjoining temples.
2. The Temple of Nectanebo.
3. The western colonnade.
4. The Temple of Isis Usret.
5. The kiosk, commonly known as Pharaoh's Bed.

The estimates for the above works amounted to £ E. 22,000, including £ E. 3,000 for repairs to the superstructure. This sum has been granted by the Commissioners of the Caisse de la Dette.

In November 1901, a special staff of experts arrived and commenced work. By the end of the year the whole of the eastern colonnade had been underpinned; as also the foundations of the Temple of Nectanebo. In addition to this, nearly two-thirds of the western colonnade were completed, and good progress was made with the foundations of the kiosk.

The expenditure for 1901, excluding the preliminary examination, was only £ E. 1,400, but this does not include the cost of materials and stores employed.

Very great credit is due to Dr. Ball and to Mr. M. Talbot for the excellent work which they have done in this connection. The task before them is extremely difficult and delicate, but so far they have been remarkably successful. Mr. Fitzmaurice, the Resident Engineer of the Assouan dam, was in charge both of the preliminary work and of the preparation of the estimates, and it is largely due to his energy that such satisfactory progress has been made.

It is expected that the work will be entirely completed by the end of May 1902.

I have dwelt at some little length on this matter, as it has, from time to time, formed the subject of some controversy. Those responsible for the Government of Egypt have been attacked from two opposite and antagonistic quarters, namely, by the engineers for paying too much attention to the artists and archaeologists, and by the latter for paying too much attention to the engineers. My own opinion is that to have deprived the people of Egypt, by reason of the artistic and archaeological objections, of the enormous and unquestionable benefits which they will derive from the construction of the Assouan dam, would have been perfectly unjustifiable. On the other hand, I readily admit that all that is possible, consistent with the attainment of the main object in view, should be done to meet the wishes of those who represent the archaeological and artistic aspects of the question. This, in fact, is the course which has been adopted.

Preservation of Arab and Coptic Monuments.

The Committee, charged with the preservation of Arab and Coptic monuments, expended £ E. 7,300 last year. The expenditure was distributed over nine mosques and two tombs.

A special grant of £ E. 20,000 was made by the Caisse de la Dette some few years ago, to aid in the work of preservation and restoration. The unexpended balance of this grant now amounts to £ E. 2,565, of which £ E. 700 for Arab, and the balance of £ E. 1,865 for Coptic monuments. The Committee propose shortly to apply to the Government for a fresh grant.

Sir William Garstin writes:

"It will be observed that very little has as yet been spent of the credit of £ E. 2,000 allotted to the repair and preservation of Coptic monuments. There are many difficulties in the way of progress in this particular branch of the duties of the Committee. The Coptic Community, as a whole, and particularly the Patriarch, still appear to view with disfavour any attempts of the Committee to repair these monuments, and considerable delay occurs whenever a proposal is made or an estimate submitted."

The attitude of the Coptic authorities in connection with this matter is greatly to be regretted.

Before leaving this subject I may mention that an estimate is being prepared of the probable cost of restoring the important mosque of Sultan Hassan. Great care will have to be exercised in dealing with this matter.

Soldiers' Club.

An experiment, under somewhat novel conditions, has recently been tried in Cairo, with the twofold object of enlivening the ordinary life of the British soldiers in garrison, and of providing an antidote against drunkenness. Soldiers' clubs exist, I believe, elsewhere, but the peculiarity of the club recently established in Cairo is that it differs but very slightly from clubs such as those of which officers, or others in a similar position in society, are members. The only important differences, in fact, are that no election is necessary and that members are not called upon to pay any subscriptions.

Without going into the details of the rules, I may say that practically every one wearing the King's uniform may make use of the club without paying any subscription. An officer is President of the club, and the finances are placed under the supervision of a Committee of officers, but the detailed management is entirely in the hands of the non-commissioned officers and men themselves. They are responsible for the good behaviour and orderly conduct of the members. The only penalty imposed for misconduct is that the offending member may be precluded from using the club, either permanently or for a fixed period. I should add that alcoholic drinks are supplied in moderation.

The spirit in which this institution has been created may best be explained by quoting the words addressed by Major-General Talbot to the members of the club, when it was first opened on the 22nd December, 1900. "This club," he said, "is going to be started on the principle of trust and confidence in the British soldier; as much liberty as is possible will be accorded; practically, you will manage the club yourselves; each man will be responsible for the good conduct and behaviour of those using it."

"All wearing Her Majesty's uniform will have a right to use it, and the only condition is that nothing may be done which can dishonour that uniform. It is for you and your comrades to show that my confidence in you is not misplaced. You will have to maintain order and good conduct yourselves, and I rely upon your support and co-operation, for without it the club cannot be a success and cannot continue."

The soldiers belonging to the Cairo garrison have responded to General Talbot's appeal, and have amply justified the confidence which he wisely reposed in them. Colonel Bowden-Smith, the President of the Committee, whose general guidance has been of great assistance to the club, but who interferes very little in the management, writes that the institution has "succeeded beyond all expectations in popularity and financially. There has not been a single case of trouble with any of the members."

The average daily attendance is over 200. On some days, more especially on Saturdays and Sundays, some 300 to 400 men use the club. About 100 meals are served daily. I am informed that since the creation of the club there has been a reduction of no less than 33 per cent. in cases of drunkenness amongst the garrison.

An institution of this nature was very much required in Cairo. Previous to the creation of the club, the soldier, when once outside the barracks, was almost forced to go for amusement or refreshment to one of the numerous bars or public-houses, which abound in the town, where he was but too often supplied with the most poisonous liquor, and exposed to temptations of various kinds. My main object, however, in giving publicity to the facts, is that it seems to me possible that, even in other garrison towns where the special circumstances which prevail in Cairo do not exist, or exist in a less degree, it may be found expedient to try a somewhat similar experiment. I repeat that the special features of the Cairo institution are: (1) management by the soldiers themselves; (2) permission to supply alcoholic drinks in moderation.

I need not in this place enter into the financial details connected with this subject, but the proper authorities would, without doubt, be able to furnish full information on these matters, in case it should be required.

Strikes.

Several strikes have taken place lately at Cairo.

I took the opportunity, in replying to a letter which was addressed to me, last December, by the rollers of cigarettes, to explain the nature of the advice which I had thought it my duty to tender to the Egyptian Government.

"In the first place," I said, "I consider that the Government should maintain a position of strict neutrality between the employers and the workmen, who, provided they conform to the laws of this country, should be left to settle their disputes amongst themselves.

"In the second place, I consider that public order should, at whatsoever cost, be maintained, but that recourse should not be had to any extraordinary measures until the necessity of such measures is clearly shown. I cannot doubt that, in the execution of this policy, the Egyptian Government will receive the full support of the various Consular authorities in cases where any questions of extraterritorial right are involved.

"In the third place, I consider that the Government should do all in its power to prevent any illegal acts from being committed with a view to hindering the free liberty of action of any class of workman, or of any individual workman."

At one moment, I may observe, there seemed to be some danger of disturbance, but this was happily averted by the vigorous measures taken by the Egyptian Government, acting in harmony with the Greek Consul-General, whose co-operation was most cordial and, I may add, most valuable. A few Greeks, who had been specially turbulent, were expelled from the country.

Conclusion.

The facts which I have stated in this Report are sufficient to show that the past year was one of steady and normal progress. The Soudan naturally lags behind, neither, in view of the general character of the problem which has to be solved in that country, is it to be anticipated that any very striking results will be speedily obtained. But in Egypt proper it may be said that the foundations, on which the well-being and the material prosperity of a civilized community should rest, have been laid. It is, of course, obvious that, in every Department of the State, further improvements are both necessary and practicable. But these are, for the most part, matters of administrative detail. So far, at all events, as the purely Egyptian portion of the administration is concerned, no radical change of any kind appears to be required. The fiscal system has been placed on a sound footing. The principal irrigation works are either completed, or are approaching completion. Means of locomotion, both by rail and road, have been improved and extended. The institution of slavery is virtually defunct. The corvée has been practically abolished. Although both the judicial system and the organization of the police admit of further improvement, it may be said that law and order everywhere reign supreme. The courbash is no longer

employed as an instrument of government. The army is efficient and well organized. The abuses which existed under the old recruiting system have been swept away. New prisons and reformatories have been built. The treatment of prisoners is in conformity with the principles generally adopted in Europe. The sick man can be nursed in a well-equipped and well-managed hospital. The lunatic is no longer treated like a wild beast. Means have been provided for enabling the peasantry to shake themselves free from the grip of the money-lenders. A very great impulse has been given to education in all its branches. In a word, all the main features of Western civilization have been introduced, with such adaptations as have been necessitated by local requirements. Broadly speaking, it may be said that all that is now required in Egypt is to persevere in the course which has been already traced out, and to gradually introduce into the existing system such improvements as time and experience may show to be necessary.

That system is, indeed, replete with anomalies and theoretical imperfections. Nevertheless, in practice, it has produced good results. It has assured the prosperity of Egypt and the contentment of the vast majority of its inhabitants. Habit and custom are, year by year, contributing to place that prosperity and contentment on a more and more stable basis.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 32.

Memorandum by Major Johnstone.

IN addition to numerous small orders, contracts have been made during the year for material to the value of over 550,000*l.*, and have been distributed as follows:—

						£
Contracts placed in Great Britain*	..	..	..	..	..	342,500
" " Belgium*	..	..	..	..	..	56,000
" " Austria*	..	..	..	..	..	50,000
" " Germany	..	..	..	..	..	49,000
" " Egypt	..	..	..	..	..	32,000
" " Italy*	..	..	..	..	..	10,000
" " France	..	..	..	..	..	8,500
" " Turkey*	..	..	..	..	..	3,500
Total	..	..	..	..	..	551,500

Of the above total, 201,000*l.* is for coal and coke, the whole of which was ordered in Great Britain. Of the balance of 350,500*l.*, contracts to the value of 220,100*l.* were placed on the result of tenders submitted to the Commissioners of the Debt, and 125,000*l.* by the Railway Board. These amounts were distributed as follows:—

				Caisse de la Dette Competitions.	Other Orders.	Total.
				£	£	£
Great Britain	..	..	..	51,600	84,500*	136,100
Germany	..	..	..	47,000	2,000	49,000
Belgium	..	..	..	46,000*	10,000	56,000
Austria	..	..	..	29,000*	4,000	33,000
Egypt	..	..	..	19,500	12,500	32,000
Italy	..	..	..	10,000	Nil.	10,000
France	..	..	..	Nil.	8,500	8,500
Turkey	..	..	..	17,000	3,500*	20,500
Total	..	..	..	220,100	125,000	345,100

* N.B.—In the contracts placed in Great Britain I have included one placed with an Englishman whose office is in Belgium but his works in England. In the contracts placed in Belgium I included one with the "Société Franco-Belge," which is being executed at their Belgian works. Of the contracts in Italy and Turkey a large portion were made with firms in Egypt, but the supplies were specified to be obtained from the countries named.

It will be seen that Great Britain heads the list in every case, but where there is keen international competition, Germany and Belgium run it close. In one case the Commissioners of the Debt allowed us to place a contract for 5,400*l.* in England, without competition, for certain special articles, which makes up the total of 141,500*l.* for Great Britain, and £ E. 350,500 in all. In one competition, the Caisse allowed us to accept a tender from a British firm for about 1,000*l.* worth of material, on account of the excellent quality of the material supplied by it, although there were lower tenders from both British and German firms.

The supplies included in the contracts sanctioned by the Caisse from Austria include locomotives and accessories for carriages and waggons; those from Belgium are exclusively iron-work; those from Germany are iron-work and locomotives; those from Great Britain, rails and other permanent-way material, and a large amount of telegraph material. The only large contracts obtained by Great Britain in international competition were for copper wire, rails, and cast-iron chairs.

It will be seen that France obtained no orders from the Caisse de la Dette, and very few others. Out of the small total which went to France, the greater part was for the supply of Russian oil, refined and mixed in France; the oil was not, however, altogether satisfactory, and a share of the oil contract for 1902 has been given to a British firm.

The results of the contracts placed in the United States of America have been disappointing, and no further contracts have been placed there in 1901.

With regard to locomotives and waggons I have already reported fully, and will only add that the coal-conveyers are beautiful machines, and I trust they will prove successful, and save both time and money; but their coal consumption so far has been more than 50 per cent. above that guaranteed by the contract. The excessive coal consumption of American boilers in this country is puzzling; I think the difference in the intelligence and muscular power of the firemen obtainable in Egypt and in the United States respectively has a great deal to do with it, and there can be no doubt that these factors are largely affected by the climate.

In the case of the contract for American waggons, I mentioned last year that a heavy penalty had been incurred for delay. It is unwise to deal too severely with such cases, as it leads to work being scamped to save time, and my Board decided to remit the greater part of the penalty: as, however, the work was unsatisfactory as well as late, the substantial sum of 2,000*l.* was deducted from the price paid. In the case of the floating crane for Alexandria, also referred to last year, the circumstances were very similar; the work, supplied by a Scotch firm, was not altogether satisfactory,* and the time taken excessive. This the firm attributed to troubles with their workmen, probably with some reason, and, taking this into account, the penalty imposed was comparatively small. In two or three other cases we have imposed fairly heavy penalties for excessive delay, one on an English firm, another on a French, a third on a Belgian. In many other cases, however, we have remitted penalties incurred, partly for the reasons already given, and partly because we are convinced that we should not obtain such favourable tenders if we got the reputation of rigorously exacting penalties for delays. We have, on the other hand, commenced to offer small premiums for punctual delivery. Our German and Hungarian contractors have so far been fairly punctual in their deliveries.

Some British firms find a difficulty in complying with our conditions as to delivery. As a rule, we specify for delivery in good condition at Alexandria, and the final inspection is made there, though the Inspector has orders not to reject work passed by our Inspectors in England without strong reasons. There is a very general desire expressed that the final inspection should be in England, and where the contractor has no agent in Alexandria this is only natural. In some cases it is not practicable, but if any firm likes to quote an alternative price for final inspection and delivery at a British port, we should always be ready to consider it, and arrange for shipment ourselves if practicable. In a good many cases we do so already, and we have recently adopted this system for our coal contracts.

As regards coal, we have tried Yorkshire, American, and Indian coal, and found them to compare very unfavourably with good Monmouthshire coal. We are now experimenting with second class Cardiff coal, which is slightly more expensive than good Monmouth; it is satisfactory, but the trials have not gone far enough to show

* Perhaps I should add that some of the conditions originally laid down for the contract proved impracticable, and part of the delay and dissatisfaction arose from this. It is very desirable that contractors should satisfy themselves that they can fulfil contracts before accepting them, as it is not easy for our engineers to ascertain what is practicable in their workshops, and what is not.

whether it is worth the extra cost. In every case, the pits from which the supplies are to be obtained are specified, and we employ an inspector to examine them. In the case of one pit, we declined to accept coal from it, on the ground that the arrangements for separating the small coal and dust from the large coal were defective; the manager saw me on the subject, and explained that the miners are interested in passing off small coal and dust as good coal, as it affects their wages, and that if he adopted better arrangements he would have a strike among his men; he considered it very hard that he should lose a contract for what was in no way his fault. I have every sympathy with him, but, if miners are so unreasonable, both they and the colliery owners must take the inevitable consequences.

I have naturally had much correspondence on the observations in Lord Cromer's Report of last year as to Belgian locomotive builders. There is at least one Belgian firm which I should class as first-rate, but that firm has not supplied the Egyptian Railways, and if any of the firms who have supplied us are first-rate, they have not done themselves justice in the work they have sent here. At the same time, there is a notable difference in the quality of work supplied by different Belgian makers, and no doubt the bad work received from one or two has helped to prejudice us against the others.

The tendency they have shown to apply to their Diplomatic Agent in Egypt, to protect them against the just consequences of their own bad work, has also created an unfavourable impression on our minds, although it is only fair to say that that gentleman has handled such cases with great tact and in a most conciliatory manner.

(Signed) J. H. L'E. JOHNSTONE.

Cairo, January 30, 1902.

Inclosure 2 in No. 32.

Memorandum by Mr. Pinching respecting the Plague during 1901.

PLAGUE broke out in the town of Zagazig, the capital of the Moudirieh of Sharkieh on the 1st June; it is impossible to say with any certitude how the infection was carried to this town, but in all probability infected grocers' stores from Alexandria or Port Saïd were the cause of it, an argument in favour of this is that the disease first broke out among grocers and their assistants in the Montazan quarter of the town where the railway stores and those of the principal grocers are situated.

The goods were chiefly received from Alexandria and Port Saïd; though a large quantity of soap packed in loose netting was received from Beirut where cases of plague had occurred. Some thousands of sacks of rice during the early part of the year arrived from the bonded warehouse of Alexandria, where many dead rats had been found, some of which had probably died of plague; certain flour mills in Alexandria had dispatched a considerable quantity of flour to Zagazig, and plague occurred later on among the workmen employed in these flour mills.

If the theory is right that Zagazig was infected by goods of this description, though the fact must not be lost sight of that no restriction has been placed on passenger-traffic between Alexandria, Port Saïd, and the interior of the country, in all probability the rats of Zagazig first became infected and were the cause of the spread of the disease among human beings.

Seventy-eight cases of plague in all were reported from Zagazig, and there was a clear history that in thirty of the cases the patients had either handled dead rats or dead rats had been found in their houses. Cases of plague being found in widely different quarters of the town in quick succession without any connection being established between one case and the other speaks much in favour of the dissemination of the disease being caused by rats; in addition large quantities of these animals were found dead and dying by the gang of disinfectors and workmen.

The last case of plague was reported from Zagazig on the 9th August, and out of seventy-eight cases which occurred there, sixty-eight were admitted to hospital and ten were found dead out of hospital; of the sixty-eight cases treated in hospital, forty-six recovered and twenty-two died; giving a mortality of 32.3 per cent., a ratio which accords with the recognized mortality of plague, provided all cases, mild and severe, come under treatment.

The disease, when it occurred among Berberines and Soudanese, was found at Zagazig, as elsewhere, to have more fatal consequence than when occurring among the fellah population.

During the time the disease existed in the town, not only were the houses where cases of plague occurred thoroughly disinfected, but a systematic disinfection was undertaken of every one of the eleven quarters of the town, as from experience it has been found that the disinfection only of the houses where cases manifest themselves is not enough to eradicate the disease.

Plague broke out in Minieh in Upper Egypt on the 5th June, but the disease was rapidly got in hand, and only five cases and one death occurred there; the last case was reported on the 22nd June.

At Mansourah one case was discovered in a man arriving in the town from Zagazig; he was at once isolated, and no further cases occurred in the town or neighbourhood.

The next place to become infected, on the 26th August, was Mit Ghamr, a town of about 14,000 inhabitants, situated on the east bank of the Damietta branch of the Nile. The infection, as at Zagazig, was probably transmitted through grocery goods received from Alexandria; up to the end of 1901, nineteen cases and eleven deaths were reported from Mit Ghamr, and the disease still lingers on there and in one or two small villages close to the town.

Zifta, a town of about the same size as Mit Ghamr, and situated exactly opposite it on the west bank of the Nile, became infected on the 8th December. As there is a constant communication between the two towns, it was a matter of astonishment that the infection did not spread to Zifta sooner, but it proves what a slow-spreading disease plague is so long as it assumes the simple bubonic form only.

The last case reported from the town of Zifta itself occurred on the 25th December, 1901; there have, however, been a few cases since in some neighbouring villages. Up to the end 1901, ten cases and eight deaths from the disease were reported from Zifta. A few cases occurred among the Soudanese workmen at the Zifta Barrage, and there is no doubt that some of these people escaped to other villages with plague on them, and it is in all probability that the infection at Tintah was due to them, as the first cases in the latter town were confined to Berberins and Soudanese.

A case was reported from Benha, a town of 8,462 inhabitants, about 40 miles north of Cairo, on the 9th September. This town is in communication by the light railway system with Mit Ghamr, from which town it was probably infected; only five cases and three deaths occurred there, the last case being notified on the 1st October.

Tintah, the capital of Gharbich, and one of the largest and most crowded towns of the Delta, became infected on the 26th December; the town being infected probably from the Zifta Barrage works. Up to the end of December, nine cases and four deaths had occurred there; during the month of January there have been several cases, and the disease is likely to remain some period longer in the town.

The inhabitants of Tintah appear to show more disinclination in notifying their sick and seeking medical aid for them than has been experienced in the other towns infected during 1901; the consequence is more cases are being found there after death. This is much to be regretted, as it is these cases which are the cause of the spread of infection and the continuance of the disease in the town.

A slight improvement has lately been noticed in the people announcing to the sanitary authorities any cases of illness in the town, and as the people become accustomed to the measures which are taken to protect them, I trust all obstruction will cease. What obstruction has been met with at Tintah has been entirely passive.

Though extensive measures have been taken by the sanitary authorities to combat the disease in some of the principal towns of Egypt during 1901, in no single instance has any disturbance taken place; everything has been done to render the measures as little irksome to the inhabitants as possible, and to in every way avoid wounding their susceptibilities, religious or otherwise.

The measures which have been adopted for combating the disease during 1901 have been essentially the same as those described in my Report of last year, with the exception that the system of the segregation of contacts in the provincial towns has been abolished, and they have been kept under observation in their own houses instead; the principal reason for abolishing segregation was the great difficulty which it entails in arranging accommodation for so large a number of people; it is the

measure which, in Egypt, is resented more by the people than any other. It was also thought by abolishing it the people would be more likely to assist the sanitary authorities in announcing cases of disease than heretofore; not much improvement, however, I regret, has been noticed in this direction.

The system of applying the measures improves by experience, especially that of rapidly organizing bands of men for disinfection and whitewashing purposes in the towns infected; there are now in the country a considerable number of Europeans and natives who have been trained in the work, and when a town is infected, a certain number of them is sent to serve as a nucleus for training others. The difficulties of successfully dealing with a large native town like Zagazig or Tintah are enormous, and at the commencement it appears an almost hopeless task, many of the streets and lanes being so narrow that no cart can get down them; all the articles for disinfection and the accumulation of dirt and refuse in the houses have to be carried out to the carts by hand for a distance of some 200 or 300 yards. Any one can judge the difficulties of this task who knows the conglomeration of filth and rubbish that the poor native delights to surround himself with.

As long as the plague is confined to the summer months the housing of the sick is a comparatively easy task, as excellent mat or tent hospitals can be erected rapidly and at little cost, but when it continues in the autumn and winter, as during last year, the question becomes much more difficult. Alluvial soil after a shower of rain is not an ideal spot for the pitching of tents; mat huts are useless in case of rain, and no decent houses exist which can be turned into hospitals; the further north the cases occur the more difficult the task becomes on account of the more frequent rains.

In all towns infected there have been invariably an intimate connection between the disease among rats and human beings, but our experience has not altered the opinion expressed in my Report of 1900 that rats spread infection and cause isolated cases of plague among the human race; but the true epidemic among human beings is caused by human beings, and the highly-dangerous cases among them are the pneumonic cases.

These cases are so dangerous in causing the spread of the disease for two reasons:—

1. The patient, while alive, when talking or spitting, disseminates the plague bacilli broadcast.

2. After death it is impossible to state the cause of death without a bacteriological examination, as no outward signs of the disease are visible; it is, therefore, extremely probable in an infected district, when a medical officer is called in to see a body before giving the permit for burial, that he allows it to be buried as a case of ordinary death, whereas the person may have died of pneumonic plague.

A case of this kind occurred near Zifta lately, a man died and the native medical officer was called by his friends to certify the cause of death, he being somewhat suspicious from the history of the disease given by the friends took a culture from the lungs and kept the people of the house (two women) under observation; two days after, one woman (the wife of the man) fell ill and died; the day after the second, his mother-in-law, died: all three of them were found to have died of plague pneumonia.

During the year 1899 plague first made its appearance in Egypt, with the exception of Damianhour where two cases of the disease only occurred, Alexandria was the only town infected. The total number of cases and deaths reported were 93 and 45 respectively. During 1900 the disease broke out again in Alexandria, and Port Said also became infected; the total number of cases and deaths from plague during 1900 were 129 and 58.

In 1901 in addition to Port Said and Alexandria, cases occurred in seven other towns, and also in a few villages in close proximity to the larger towns infected; the total number of cases and deaths reported in 1901 were 205 and 102; it is thus seen that plague has gradually extended and claimed more victims from year to year since its first appearance in the country. It is to be feared that during 1902 we shall see a further extension of the disease, but so long as we can get early information of the first cases and a sufficient staff of workers is available for putting into force the measures which have been found to be successful so far in keeping the disease in hand, I do not anticipate that we shall have a severe epidemic of the disease, but that it will continue to give considerable trouble for many years to come is in my opinion extremely probable.

The following list shows approximately the work undertaken by this Department during 1901 in the several towns infected with plague:—

Rooms Disinfected.	Rooms Limewashed.	Sacks of Effects Disinfected.	Sacks of Refuse Burnt.	Rats Destroyed.
374,030	63,451	12,965	30,547	12,070

(Signed) H. H. PINCHING.

Cairo, January 29, 1902.

No. 33.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 3.)

(No. 23.)

My Lord,

Cairo, February 21, 1902.

SIR REGINALD WINGATE'S time is so fully occupied that I suggested to him that, instead of himself writing a General Report on the administration of the Soudan during the past year, he should send the material to me, and that I should undertake this work. The material consists of a series of Reports and rough notes prepared by the heads of Departments and by the various provincial administrators. Before going any further I should wish to remark that the perusal of these Reports and notes, which are, for the most part, of commendable brevity, leaves a most favourable impression on my mind as regards the officials—mostly military officers—who composed them. All evidently take a keen interest in their work. Their observations and proposals are all stamped with sound common sense, and show a true appreciation of the present condition of the country and of its requirements.

In the summary which I am about to make I propose to omit a great deal of detail. I hope, however, out of the material before me, to compile an account which will enable both your Lordship and others to form a fairly correct impression of the actual condition of affairs in the Soudan. There are, I may observe, one or two points on which I should have been glad to receive some further information. If I do not ask for it, it is because I am unwilling to add to the labours of officials, who are already overworked, and whose time can be far better employed in the practical business of administration, rather than in writing lengthy Reports, or compiling elaborate statistics, for the information of myself and others.

The British officials who, under circumstances of much difficulty, are endeavouring to introduce the first rudimentary elements of civilization into this vast and remote region, deserve every help and encouragement that can be afforded to them. They have to reside in a climate which, during the greater part of the year, is extremely trying to Europeans. For the most part they lead lives, if not of hardship, at all events of somewhat monotonous, and often of almost solitary discomfort. More than this, even if ample funds were available, which is far from being the case, they could scarcely hope to see any very striking or immediate results accrue from their labours; for, in view of the geographical features of the country, its great extent, and the character of its sparse population, who have been demoralized by the institution of slavery and by a long course of misgovernment, a variety of social and economic problems are presented for solution, over some of which Government action can exercise but little or no control, whilst over others improvement, in whatsoever direction, must necessarily be a plant of very slow growth. It would be an illusion to suppose that, even under the most favourable circumstances, the rapidity with which the great natural recuperative powers of Egypt, and the industry of its inhabitants, have led to the partial regeneration of that country, can be paralleled in the Soudan.

General Situation.

Considerable progress has been made towards a settlement of the various pending questions in connection with frontiers.

As regards the eastern limits, negotiations are still proceeding between the Erythraean, Abyssinian, and Soudan Governments. An understanding as to the course

to be adopted, in order to come to a definite conclusion, was recently effected by means of a Conference held at Rome. When the deliberations of this Conference have been submitted to the Emperor Menelik, with whom, I am glad to say, the most friendly relations exist, it is hoped that lines of frontiers, which will fully satisfy the requirements of the various parties, will be definitely decided upon. When once the controversial points have been settled, the work of delimitation will be a comparatively easy and rapid task.

In connection with the eventual delimitation, considerable progress has been made in survey work during the past year. It will be remembered that Major Gwynn, R.E., in the year 1900, made a survey of the country from Famaka, on the Blue Nile, to Nasser, on the Sobat River. In the early part of 1901 Major Gwynn proceeded to Addis Ababa. Thence he travelled towards the Blue Nile via Najo, Lekempti, and Wallaga, making a valuable survey of his route up to Famaka; from this latter place (accompanied by Captain Smyth, V.C.) he continued his survey operations southwards to Kirin; then, turning north, he effected a survey of the country between Famaka and Gallabat, and acquired a mass of information which will be of great value when the detailed delimitation is undertaken.

Major Austin, in the previous year, had failed to penetrate as far as Lake Rudolf, owing to a misunderstanding on the part of the Abyssinian authorities; but, steps having been taken to prevent a recurrence of such difficulties, he again—early in 1901—started from Nasser with a well-equipped expedition, with the intention of completing the interrupted survey as far as Lake Rudolf, and joining up with the work upon which he had already been engaged in the East African Protectorate. The history of this expedition is one long series of disasters. The districts through which it passed were found to be denuded of grain; transport difficulties were far greater than had been anticipated; the food supplies, which were expected at the north end of Lake Rudolf, were not forthcoming; men and animals died, and it was only by the energy and perseverance of the British officers of the expedition, and the indomitable courage of the Soudanese officer in charge of the escort, that the party was saved from entire destruction. It reached Lake Baringo in a sad plight; of the original number of sixty-two, only seventeen survived. In spite, however, of all these difficulties, Major Austin succeeded in making a partial survey, and in collecting much valuable information, which will eventually be of great use for delimitation purposes.

As regards the southern districts, the sudd-cutting operations effected in 1900 have proved successful, in so far as Nile navigation is concerned; no serious block took place during the past year. The work of widening the actual channel and clearing it in certain portions, which had not been feasible when the first expedition was dispatched, is now being undertaken by a second and smaller expedition under the direction of Major Matthews; but these operations are being conducted merely with a view to improving the navigation, and are of slight importance in connection with any of the larger irrigation schemes.

The main present requirement of the Soudan is to establish railway communication between the Nile Valley and the Red Sea. Steps have been taken to give practical effect to this proposal. A rough survey of the country between the River Atbara and Suakin has already been made, and a practicable route, along which a railway could be constructed, has been found; but further surveys are about to be undertaken with a view to discovering whether there are not other routes along which a line could be run, involving smaller engineering difficulties and, consequently, less expenditure. It is anticipated that this question will be solved in a few months.

The boundary between the southern Soudan provinces and Uganda still remains undefined, but relations with the Nile provinces of that Protectorate are still so comparatively undeveloped that the settlement of this question does not press. At present the advanced post of the Uganda Government is at Gondokoro, whilst the most southern station of the Soudan Government, on the east bank of the Nile, is at Mongalla, a few miles to the north. The post at Kiro, on the west bank, has been withdrawn.

A steamer proceeds monthly from Khartoum to Gondokoro, and a small trade in ivory and other products has sprung up. A few merchants and officials from Uganda occasionally make use of the Nile route, and, when facilities for more frequent communication are available, the traffic will probably increase. In this connection it may be observed that the Soudan Government has entered into an arrangement with a British Company, who are now constructing a stern-wheel steamer and two stern-wheel barges for passenger and goods traffic on the White and Blue Niles.

The expedition under the command of Lieutenant-Colonel Sparkes, which was dispatched in the winter of 1900 to occupy the Bahr-el-Ghazal Province, was completely successful, and, with the exception of one slight skirmish, effected the peaceful occupation of the northern portion of this large district.

The dispatch of considerable quantities of rice, for the use of the Congo State troops in the Lado enclave, appears to have been sufficient to meet the requirements of the garrisons for some time; latterly, no further supplies have been demanded.

Considerable quantities of rubber trees are reported in many of the districts visited by Colonel Sparkes. Mr. Broun, the Director of Woods and Forests, has been dispatched to report on the possibilities of re-opening the india-rubber trade of the Bahr-el-Ghazal, which, in former days, was one of the principal sources of revenue of that district. It is also hoped, in the near future, to develop the rubber forests in South-western Kordofan, which, from all accounts, are of great importance; but, with the meagre information at present available, any forecasts as to the future development of this trade must necessarily be of little value.

The situation in Darfour remains practically unaltered. A few months ago some excitement was caused amongst the frontier tribes by the appearance of armed forces from El-Fasher. Some conflicts took place, but the immediate dispatch to the scene of disturbance of Colonel Mahon and a detachment of troops soon restored order, and Sultan Ali Dinar at once withdrew his men. Trade relations with this province, which were growing in importance prior to the disturbances, have now been resumed, and there is every prospect that, under favourable conditions, they will develop considerably.

The small remnant of the Dervishes, who proceeded to Dar Kara, are stated to be still in that neighbourhood, where they live by plundering and brigandage. They are so far away as to be of little consequence, and will probably in time become merged with the local inhabitants. Sir Rudolf von Slatin, who is now travelling in Western Bahr-el-Ghazal, will endeavour to communicate with the leader, and extend to him the Government pardon which he is understood to be seeking.

Increased topographical knowledge of the country, and an accurate understanding of the localities occupied by the various tribes, are much required. Considerable progress has been made in this direction by the various surveys under the command of Colonel Talbot, R.E., who has been indefatigable in his efforts to provide the ground work of a really good map of the Soudan.

In concluding this branch of the question, I may quote the following observations addressed to me by Sir Reginald Wingate:—

“In revising generally the work of the past year in the Soudan, I consider that there is every reason to be satisfied with the progress which has been made in the administration and in the introduction of reforms. Unfortunately, the meagre rainfall in many of the districts has raised the price of grain, but the good crops of the former season have prevented any real distress on account of the present partial failure. The fiscal condition of the country has considerably improved, and, given an average rainfall and a continuance of the present system of steady and progressive development of the resources of the country, the prospects of the Soudan eventually becoming self-supporting are more encouraging than they were twelve months ago.”

I should add that the experiment tried at the beginning of the year 1901, of introducing a small number of very carefully-selected young English civilians into the Administration has proved eminently successful. It is only want of funds that has prevented their number being increased.

Finance.

In my Egyptian Report, I have dealt with the Soudan financial position, considered as a whole, and I have stated the amount which the Egyptian Treasury has to pay in order to make good the Soudan deficit. In the present place, I propose to deal merely with the Soudan revenue and civil expenditure.

The Estimates for 1901 were as follows:—

Revenue ..	..	..	..	..	..	..	..	£ E.
Expenditure	..	..	..	..	..	..	..	187,500
								382,000
Deficit	..	..	..	..	..	..	..	194,500

I am unable to state precisely the final results of the past year, as the December accounts of the more remote provinces cannot be received in time for incorporation into this Report. But the approximate results are as follows:—

Revenue ..	..	..	..	..	..	..	..	£ E.
Expenditure	..	..	..	..	..	..	..	238,500
								403,000
Deficit	..	..	..	..	..	..	..	164,500

It will be seen, therefore, that the revenue is £ E. 51,000 in excess of the estimate, that the expenditure is £ E. 21,000 in excess of the estimate, and that the general result is about £ E. 30,000 better than was anticipated.

The revenue figures are decidedly satisfactory. I give below the figures for the last three years. They are as follows:—

								Revenue.
								£ E.
1899	..	..	..	..	..	..	..	126,500
1900	..	..	..	..	..	..	..	157,000
1901	..	..	..	..	..	..	..	238,500

It will be seen that the revenue is growing. In 1900 there was an increase of £ E. 30,500 over 1899; and, again, the figures of 1901 are £ E. 81,500 in excess of those of 1900.

The increase of revenue during the past year is mainly due to two causes, viz.:—

1. The development of the trade in gum; and
2. The receipts derived from the Animal Tax.

The following figures will be sufficient to show the extent to which the export of gum has increased:—

								Gum exported.
								Kantars.*
1899	..	..	..	..	..	..	..	41,963
1900	..	..	..	..	..	..	..	60,912
1901	..	..	..	..	..	..	..	170,781

It will be of interest to compare the volume of this trade with that which existed prior to the Dervish rebellion. The following figures are taken from the well-known Report of Colonel Stewart:—

								Gum exported.
								Kantars.
1879	..	..	..	..	..	..	..	144,706
1880	..	..	..	..	..	..	..	135,646
1881	..	..	..	..	..	..	..	150,861

The amount of gum exported in 1901 was, therefore, about 20,000 kantars in excess of the largest amount exported in the years which immediately preceded the rebellion.

It is natural that the increased supply should have led to a heavy fall in the price. The price of gum in the London market has fallen from 65s. in 1900, to about 32s. a hundredweight in 1901. The rates at which royalty is charged have been reduced in proportion to the fall of price.

* One kantar = 99.05 lbs.

As regards the "Animal Tax," to which I have alluded above, Sir Reginald Wingate gives the following explanations:—

"The Inspector-General, Sir Rudolf von Slatin, has been specially active during the past year, in visiting all parts of the country, with a view to settling the tribute and the herd tax to be paid by the nomad and sedentary Arabs, who form a large percentage of the total population of the Soudan, and who are for the most part rich in camels, sheep, and cattle.

"It will be remembered that it was originally the intention of the Government to exercise its authority over these tribes by the imposition of a herd tax, but the impossibility of at present obtaining accurate statistics, on which to base such a tax, led to its substitution by a form of tribute for the nomad Arabs, and by assessing, at a fixed rate, the animals in the possession of the sedentary Arabs. In both these cases, however, it was decided that the taxes should be considerably smaller than the rates fixed by the original Ordinance, and that they should, indeed, be less than the 'Zekat' and 'Fitra' taxes, to which these tribes had always been accustomed. The assessment, both of tribute—calculated, as far as possible, on the present wealth of the tribe—and herd tax, was no easy matter, and doubtless, with increased knowledge of tribal conditions, it will be necessary to considerably modify the various amounts; but a good beginning has been made, and, on the whole, the tribes have responded well to the call. It should be observed that the fiscal is entirely subordinate to the political result of these measures. The imposition of some form of Government authority over the wild and, in some cases, turbulent desert Arabs became an imperative necessity, and the manner in which the respective tribes show their acceptance of this authority, by a ready payment of the comparatively insignificant sums for which they are assessed, is an interesting indication of their loyalty or independence, as the case may be. A few tribes—notably the Gemilab, inhabiting the mountainous districts south-west of Suakin, the Kababish to the west of Omdurman, and the Kenana, in the Senaar Province between the Blue and White Niles, all of these being powerful and wealthy tribes—have shown considerable reluctance to comply with the moderate demands of the Government, and it may be necessary, sooner or later, to resort to measures which will oblige them to understand that the authority and orders of the Government must be respected. The sedentary Arabs throughout have shown an excellent spirit, and in some of the provinces—notably Berber—the amounts levied, both by tribute and herd tax, have been paid up almost in full."

Turning to the expenditure side of the account, the increase of £ E. 21,000 over the original estimate of 1901 is explained by the fact that an additional sum of £ E. 5,000 had to be granted to purchase more rolling-stock for the railway; further, in several other directions, legitimate demands for increased expenditure sprang up during the year.

It is greatly to the credit of the Financial Secretary, Lieutenant-Colonel Bernard, that, under all the circumstances of the case, the excess over the estimates was not greater than that which actually occurred.

The estimates for 1902 are as follows:—

							£ E.
Revenue ..	..	..	..	..	..	..	224,000
Expenditure ..	..	..	..	..	..	..	492,000
Deficit ..	..	..	..	..	..	..	268,000

The revenue estimate is cautious. It is about £ E. 14,500 less than the amount realized in 1901, viz., £ E. 238,500.

At first sight, it would appear that a heavy increase of expenditure is contemplated in 1902, the figure of 1901—viz., £ E. 403,000—being about £ E. 89,000 less than that of 1902, viz., £ E. 492,000. There has, in fact, been some real increase, which may be regarded as the natural result of the progress of administration and reform.

But by far the greater part of the increase is nominal. It is due mainly to the transfer, to the Soudan Civil Budget, of the expenditure hitherto appearing as a War Department charge on the Nile boat and steamer service. This accounts for an apparent increase of over £ E. 71,000. Further, the charge on account of the schools at Suakin and Wadi Halfa, hitherto borne by the Egyptian Ministry of Public Instruction, has been transferred to the Soudan. This accounts for an apparent increase of £ E. 1,500.

The military charge, on account of the Soudan, has been reduced from £ E. 222,000 to £ E. 122,000—that is to say, by about £ E. 100,000—and, as I have

shown in my Egyptian Report, the general contribution of the Egyptian Treasury, to make good the Soudan deficit, both civil and military, has been reduced from about £ E. 417,000, in 1901, to about £ E. 390,000 in 1902—a reduction of about £ E. 27,000.

On the whole, the financial situation of the Soudan may be regarded as distinctly more satisfactory than could have been anticipated a few years ago.

Collection of Revenue in kind.

I am glad to be able to report that considerable progress has been made in the direction of abolishing the very faulty system of collecting the revenue in kind. Land tax, to the extent of nearly £ E. 9,000, was, however, still paid in Indian corn, barley, &c., during the past year. The grain so collected is, for the most part, issued as rations to the Egyptian and Soudanese troops.

It will probably not be possible to abolish this system altogether until, by improvements effected in the means of communication, cultivators are able to find a market for their produce. In fact, in reading through these various Reports, the conclusion is forced on one at every moment that improved communications constitute the most pressing need of the country.

Thus, Colonel Drage, the Controller, who is in charge of this branch of the service, reports that, owing to the absence of camel transport, it was found impossible to convey to either the Blue or the White Nile some of the grain collected by the Government in portions of the Khartoum district. As regards the Province of Kordofan, he says:—

"Here, again, we find the urgent necessity of improving the methods of transport, and a light railway once more suggests itself as the best possible means of tapping this enormous tract of country, which, I believe, at one time was capable of producing large quantities of grain, and which still produces other valuable marketable articles, such as gum and ostrich feathers. I believe the gum trade almost came to a standstill this year, owing to the exorbitant demands of the Arabs for camel hire. I understand that there are still large quantities of this article lying in Kordofan, which cannot be moved in consequence of the want of transport to bring it in."

Royalties on gum, ostrich feathers, and ivory were paid to the Government in kind at the commencement of last year. The sale of these articles realized about £ E. 2,000. This system has now been abolished. The duties will, in future, be paid in money.

I notice in Colonel Drage's Report that he says that the expenditure on stationery by the Soudan Government in 1901 was £ E. 1,600, being £ E. 600 in excess of the estimates; and, further, that he has asked for a credit of £ E. 2,000 on this account during the current year. "Nothing," Colonel Drage remarks, "lends itself more to waste and extravagant use than stationery."

This item calls, however, for another reflection. I fear that it must be taken as an indication that the amount of official correspondence in the Soudan is increasing. To a certain extent, this is probably inevitable. Nevertheless, I venture to express a hope that a steady check will be kept on excessive writing. It generally implies excessive centralization, and the Soudan is pre-eminently a country where the administration should be decentralized as much as possible.

Cotton.

A certain quantity of cotton-seed, to be used for experimental purposes, was issued gratis by the Government last year. It was of the Ashmouni and Afifi varieties of Egyptian cotton. The result of the first year's crop is not yet known, and even when known will not give a certain indication of what may be expected in the future. Before forming any definite opinion, it will be necessary to await the results of the second year's crop, which will be obtained from the seed of the first year.

On this subject Colonel Drage writes:—

"Two samples of cotton, the produce of other than that produced from the Egyptian cotton-seed, were submitted to expert firms in Cairo and Alexandria, namely, Messrs. Carver and Co. and Messrs. Choremi, Benachi, and Co., and their

reports, though not enthusiastic, lead one to suppose that, with proper means of irrigating the cotton fields, and supervised by men from the Delta or elsewhere, thoroughly versed in the growing of cotton (which requires a great deal of skill and much trouble), the Soudan would be capable of turning out cotton and seed at least equal to that of Upper Egypt, and very superior to American, though it would probably never equal that of the Delta."

Mineral Concessions.

Several licences, giving exclusive rights of prospecting over defined areas, have been granted in the course of the year. The licensees are bound by the terms of their licences to commence prospecting within a certain time, and to expend on such work considerable sums, which are fixed in their licences. They are given the right, during the term of their licences, to apply for and obtain mining leases of any mines which they may find, upon the conditions set forth in their licences.

Particulars are given below of all existing licences:—

Date of Licence.	Name of Licensees.	Prospecting Area.	Amount to be Expended in Prospecting, and Period of Licence.
June 11, 1900 ..	Egypt and Soudan Mining Syndicate (Limited)	Bounded on north by latitude 22°, on east by longitude 31° 30', on south by latitude 20°, and on west by longitude 32°	£ E. 20,000 in 4 years. 1 year, renewable for 3 more.
January 14, 1901 ..	London and Soudan Development Syndicate	Bounded on north by latitude 12°, on east by Blue Nile, on south by latitude which passes through junction of Tomat River and Blue Nile, and on west by White Nile	£ E. 3,000 the first year, under this licence and the next. Then £ E. 25,000. 1 year, renewable for 3 more.
" 14, " ..	The same	Area limited by a circle drawn with a radius of 10 miles from a centre near Fatikohe on the White Nile	£ E. 3,000 the first year, under this licence and the last. Then £ E. 5,000. 1 year, renewable for 3 more.
June 22, " ..	Victoria Investment Corporation	Bounded on north by latitude 22°, on east by Red Sea, on south by latitude 20°, and on west by longitude 36°	£ E. 30,000. 4 years.
September 20, " ..	George Ogilvy Haig, Esq.	Bounded on north by latitude 22°, on east by longitude 36°, on south by latitude 20°, on west by longitude 34° 30'	£ E. 30,000. 4 years.
October 3, " ..	A. Raymond Heath, Esq.	A circular area limited by a radius 6 miles in length, from a centre near Tambuk, near Suakin	£ E. 8,000. 4 years.

It is not as yet considered prudent to permit prospecting in Kordofan, and, pending the delimitation, no licence has been granted on the Abyssinian boundary.

The holders of each of the above-mentioned licences are under contract to send prospecting expeditions into their areas during the next nine months. Parties are already at work in the areas held by the Egypt and Soudan Mining Syndicate and the London and Soudan Development Syndicate.

Railways.

In 1900 a sum of £ E. 500,000 was advanced by the Egyptian Government in order to enable the condition of the Soudan railways to be improved. Of this sum only about £ E. 16,500 was expended in 1901. This money was principally spent on constructing bridges on the line between Halfa and Abu Hamed. This line was kept

open during the whole of the rainy season. A larger sum will be spent on new works during the current year.

The total receipts during the year were about £ E. 165,000. The working expenses were about £ E. 124,000. Of the receipts, however, £ E. 93,000 was nominal, being, on Government account, for the transport of troops, supplies, &c.

The receipts from passengers and goods carried on private account compare with those of 1900 as follows:—

						1900.	1901.
						£ E.	£ E.
Passengers	..	..	..	..	..	6,703	8,265
Goods	..	..	..	..	..	27,555	63,874
Total	..	..	..	..	..	34,258	72,139

These figures are fairly satisfactory. They show that the effective receipts of 1901 were about £ E. 38,000 in excess of those of the previous year. Moreover, it is to be noted that the whole of the increase took place during the last six months of the year. During the first half of the year the rolling-stock was insufficient to cope with the traffic. In July and August new trucks and carriages arrived.

The increase is mainly due to the development of the export trade in gum.

"For the first time," Lieutenant-Colonel Macauley, the Director-General of the Soudan Railways, writes, "since the railway has been open there was a demand for more transport from south to north than from north to south; this state of things only lasted a week; but, still, it is satisfactory, inasmuch as it seems to indicate a considerable increase in the traffic from south to north in the future. In preceding years the traffic from south to north has been very small in proportion to that from north to south."

There was also an increase in the imports. I give below a detailed statement of the goods carried by the railways during the first eleven months of last year. They may afford to merchants an indication of the class of goods of which the Soudan apparently stands in need:—

						Tons.	Value.
							£ E.
Cotton stuffs	..	..	..	..	..	1,387	217,482
Flour	..	..	..	..	..	431	6,031
Rice	..	..	..	..	..	76	760
Spirits	..	..	..	..	..	250	8,400*
Provisions	..	..	..	..	..	163	6,520
Sugar	..	..	..	..	..	1,733	19,687
Perfumes	..	..	..	..	..	7	2,800
Soap	..	..	..	..	..	117	3,217
Oil..	..	..	..	..	..	98	2,352
Tallow	..	..	..	..	..	7	230
Dates	..	..	..	..	..	851	6,195
Tea..	..	..	..	..	..	26	2,912
Petroleum	..	..	..	..	..	90	583
Tobacco	..	..	..	..	..	115	31,280
Miscellaneous	..	..	..	..	..	1,950	62,400
Total	..	..	..	..	..	7,301	370,852

Civilian station-masters are being gradually substituted for soldiers.

I notice with pleasure the following remark in Lieutenant-Colonel Macauley's Report:—

"Many soldiers have returned to work as civilians on the expiration of their period of service in the army."

* I have drawn Sir Reginald Wingate's attention to the large amount of spirits which seem to be imported.

About a year ago, when the price of coal was very high, a cargo of Indian coal was, at my suggestion, imported as an experiment. Lieutenant-Colonel Macauley reports the result in the following terms:—

"The Indian coal tried at the beginning of the year turned out better than was expected from its appearance, although it is, of course, not so good as Welsh coal. The drivers at first could not keep enough steam with this Indian coal; but, after a time, when they had become accustomed to it, they could take their usual loads, although with difficulty."

One of the main obstacles which stands in the way of railway development in the Soudan is the difficulty of obtaining labour. I will not attempt to deal with this important question at present. I may say, however, that the best solution appears to me to be the importation of foreign labour, either Indian or Chinese. The Egyptian labour market is far from being over-stocked.

Telegraphs.

The estimated revenue of the Telegraph Administration during 1901 amounted to £ E. 4,500 and the expenditure to £ E. 15,000. Most of the telegrams which pass over the wires are official, and, therefore, are sent without payment. Had they been charged at the ordinary rates, the deficit of about £ E. 10,500 would have been turned into a surplus of about £ E. 6,000.

The only new line constructed during the year is that from Suakin to Erkowit, a distance of about 40 miles.

The question of telegraph-poles is one of special importance in the Soudan. On this subject Captain Liddell, the Director-General of the Telegraphs, writes as follows:—

"The system of bolting 12 ft. 6 in. poles on to steel trough bases, which has been extensively used this year on the Soudan telegraph lines, has, so far as can be seen up to the present, proved very satisfactory. I have tried experiments with wood of various kinds dipped in Atlas preservative and afterwards painted with hot coal-tar: these have given good results; but I do not feel sure that such poles would resist damp, and subsequent rot, for a long period.

"I have also tried experiments with creosoted wood, and propose to build the Kawa-Goz-Abou-Goma line of creosoted poles as an experiment.

"I have tried the wood which the Egyptian Telegraphs Administration grow for telegraph-poles, but I find that it is not proof against white ants.

"A great advantage possessed by the present form of steel base is that it reduces the length of pole required, and thereby makes them much more convenient for camel transport. Formerly, an 18-foot pole was necessary, and these make most awkward loads for camels."

Post Office.

The postal service is under the Director-General of the Telegraphs. Various minor improvements were effected in the course of last year. The net revenue in 1901 was about the same as in 1900—viz., rather less than £ E. 5,000.

Preservation of Game.

A very full and interesting Report on this important subject has been received from Mr. Butler. I can here only attempt to give a very brief summary of its contents.

A large tract of country, approximately 300 miles long by from 100 to 150 miles broad, has been made into a game reserve. It is situated between the Blue and White Niles, the Sobat River, and the Abyssinian frontier. In this tract only officers and officials of the Soudan Government and residents approved by the Governor-General are allowed to shoot. Mr. Butler thinks, and I fully agree with him, that, in addition to this reserve, a complete sanctuary for game should be formed as soon as a sufficient knowledge has been obtained of the distribution and migration of animals.

Mr. Butler gives the following list of game killed under licences during the past year:—

Elephant	30
Rhinoceros	4
Buffalo	34
Jackson's hartebeest	34
Toia hartebeest	8
Tiang (<i>Damaliscus</i>)	83
Waterbuck	78
Mrs. Gray's waterbuck	16
White-eared cob	107
Uganda cob	6
Roan antelope	39
Oryx leucoryx	2
Kudu	1
Redbuck	22
Bushbuck	31
Ariel	74
Other gazelles	139
Dinker	8
Oribi	43
Ibex	5
Hippopotamus	19
Warthog	15
Wild boar	2
Lion	23
Leopard	7
Cheetah	2
Giraffe	4
Wild ass	2
Ostrich	4
Total	842

It cannot be doubted that a certain quantity of game is killed, under licence, without being reported. Mr. Butler, however, thinks that the above list probably represents about 80 per cent. of the larger animals shot by Europeans, but that, as regards gazelle and ariel, it cannot be held to represent more than 50 per cent., if so much.

The European sportsman is not, however, the principal enemy to game in the Soudan. The law, as it stands, is legally applicable to all natives of the Soudan alike. But it is quite clear, from what Mr. Butler says, that it cannot be fully enforced. "I have not attempted," Mr. Butler says, "to collect any statistics relating to game killed by natives, owing to the impossibility of obtaining anything approaching to accurate information. A great deal of destruction undoubtedly went on during the year. The principal cause of destruction appears to be the profit derived from the sale of hides." Thus, the Moudir of Senaar reported that large organized hunting parties, well armed with rifles, come from the direction of Gedaref and the Abyssinian frontier into the country between the Rahad and Dinder Rivers and slaughter game indiscriminately. Hunting parties also did much harm in portions of the Kassala district.

Mr. Butler makes several suggestions with a view to checking these evils. They will, without doubt, receive full consideration. But so long as the natives possess firearms—and it is difficult, if not impossible, to disarm them altogether—it is very questionable whether the illicit destruction of game in the Soudan can be entirely stopped.

Justice.

Except the Fashoda and Bahr-el-Ghazal provinces, the whole of the Soudan is now subject to civil justice. Mr. Bonham-Carter, the Legal Secretary to the Soudan Government, reports that "the lines on which the codes are framed have, on the whole, proved eminently satisfactory, and do not call for remark."

I gather from the full report which Mr. Bonham-Carter has sent in that the Courts, both civil and criminal, are working satisfactorily. The main defect is numerical weakness in the judicial staff. An English barrister (Mr. Wasey Sterry) was appointed to be Civil Judge at Khartoum last year. As funds become available, further appointments of this nature will, without doubt, have to be made.

The Land Commissions, which were appointed shortly after the re-occupation of the country, have now nearly completed their labours. In a few months all

claims to land arising from the dislocation caused by the rebellion will have been settled.

In the absence of a complete survey or of trained officials, it has not, as yet, been found possible to establish a register of titles to land.

As regards the working of the Mahomedan law courts, Mr. Bonham-Carter makes the following remarks:—

"Under the old Government every place of any pretensions had its Cadi, who, however, received little or no salary, but made what he could from fees and presents. Under the present Government the Cadis are fewer in number, but they and their clerks receive a moderate monthly salary, whilst the fees which are taken are fixed and go to the Government. There can be no doubt as to which system is more likely to produce impartial justice."

Education.

The educational efforts of the Government of the Soudan have, up to the present time, been devoted to the attainment of the three following objects:—

1. The diffusion, amongst the masses of the people, of the elements of knowledge by means of "kuttabs," or vernacular schools, at the various local centres.
2. The gradual formation of a native artisan class by the formation of a small industrial school.
3. The institution of two primary schools in which English is taught, and in which a beginning may be made in the direction of training a class of native administrators.

As regards the first object, "kuttabs" are actually in existence at Berber, Dongola, and Wad Medani. Mr. Currie, the present very capable Director-General of Education in the Soudan, writes about these schools:—

"Not one of them attains to a reasonable standard of efficiency, and the number of pupils attending them has not increased. The reason for this is that the teachers are all incompetent. They can, as a rule, neither read, write, nor count in Arabic."

Mr. Currie hopes, in a few months' time, to establish model "kuttabs" at Dongola and Berber, and, perhaps, elsewhere. In order to provide suitable teachers a small training college for native Sheikhs was opened at Omdurman in February 1900. There are at present six students under instruction at this college, all members of good Arab families. The aims of the college, Mr. Currie writes, "are very humble—merely to instruct a few Soudanese Sheikhs in reading, writing, and arithmetic, give them a little practice in teaching, and draft them into the 'kuttabs.'"

As regards industrial education, a small industrial school has been established at the dock-yard works, which are situated on the river about a mile north of Omdurman. These works are under the control of Mr. Bond, R.N., who, I may mention, besides the lively interest he has shown in this particular work, has rendered excellent service in organizing the water transport of the Soudan Government. Mr. Currie and Mr. Bond, acting in co-operation, have arranged that the apprentices, sixty in number, should be divided into two shifts of thirty each. They receive alternately a day's schooling and a day's practical work at their respective trades.

As regards the attainment of the third object mentioned above, namely, the formation of a class of native administrators, some real progress has been made. An efficient primary school has been established at Omdurman. The syllabus followed is that of the Egyptian primary schools, simplified to meet Soudanese requirements. It is attended by 170 pupils. An encouraging feature is that, of these, 103 pay fees. "It is," Mr. Currie writes, "under the control of a young, energetic, and competent Egyptian head-master, who, I think, is doing thoroughly good work."

A school on similar lines was opened at Khartoum on the 1st October, 1901. It is attended by seventy-two pupils, of whom sixty pay fees.

"As regards the future," Mr. Currie writes, "the matter is, in essence, financial. So far south as Khartoum, at all events, there is no doubt that the people are extremely anxious to obtain educational facilities.* For the present the true line of progress lies in the multiplication of efficient "kuttabs" schools. How far this demand can be met depends on the financial resources of the country, but the need for these schools is very urgent. Once good models have been established, private kuttabs will begin to imitate them, and the system of subvention can be

* It will be observed that this opinion is confirmed by several of the Moudirs. *Vide post*, under the heading "Reports from the Moudirs."

introduced; but at present subvention would only perpetuate dirty and inefficient schools."

I wish, before leaving this branch of the subject, to express my entire concurrence in the following weighty and very pertinent observations, which are contained in Mr. Currie's Report.

"I often hear," he writes, "an opinion expressed which I deem a pernicious fallacy. It is, that it is worth while establishing schools for the teaching of English for the sake of the supposed political advantage which such teaching indirectly confers upon the governing class."

"As a matter of fact, I hold the exact contrary, and believe that, for one political difficulty you remove by the teaching of English you create a dozen."

"I consider that at present only those boys should learn English who are subsequently going to make use of it in the Government service, or in commercial pursuits in which such a knowledge is necessary."

"Schools for this purpose should be good, and it is nearly as important that at present they should be few."

"It is imperative that schools of this type should be fee-paying, though I have no objection to their receiving a certain number of free scholars."

"Similarly I would always most strenuously resist any proposal to teach a smattering of English in the kuttabs schools."

Gordon College.

The general interest taken in the Gordon College must be my excuse for treating it separately. I need not, however, enter into any great detail, as I understand that a separate Report on this subject has been already addressed to the Trustees of the College Fund, and that a further Report, dealing with the state of affairs up to date, will shortly follow.

The building, as will be seen from my remarks under the head of "Public Works," is approaching completion.

I have on previous occasions mentioned that, for the time being at all events, it is a misnomer to call this institution by the somewhat high-sounding title of a college. That it will eventually be used as a college, in the true sense of the term, I do not doubt; but that name generally implies an institution where some degree of high instruction is afforded. For the present, however, the students to whom such instruction could usefully be imparted are almost wholly wanting. The Gordon College, nevertheless, may render almost immediate and very useful service as a primary school. When it is completed, the primary school at present in Khartoum will migrate to it. As communication with Halfaya, on the right bank of the Blue Nile, becomes easier, a large number of pupils will probably come in from that quarter. "In a year from now," Mr. Currie writes, "I hope to see a primary school of 170 boys established in the college."

I trust also that the college may be used for purposes of technical instruction.

Mr. Currie's suggestion that an Economic Museum should be established at the college, with a view to assisting in the commercial development of the country, has, I understand, been adopted. Mr. Butler, of the Animals Preservation Department, has been named Curator of the Museum. He has, I may observe, already had experience of similar work in the Malay States.

Mr. H. S. Wellcome, of the firm of Messrs. Burroughs and Wellcome, has very generously presented the college with an efficient analytical and bacteriological laboratory, equipped with all the necessary apparatus. It has been arranged that the Soudan Government shall provide for the maintenance of the laboratory. The plans are at present in the hands of Colonel Friend, R.E., the Director of Works. When the rooms are completed, a competent bacteriologist will be appointed.

Prisons.

In December 1900, a sum of £ E. 10,000 was granted, with a view to the establishment of a Prison Administration in the Soudan. Fair progress appears to have been made, but, as was to be expected, the prison accommodation is still very defective. Captain Borton, who is in charge of this service, classifies the accommodation in the principal towns as follows:—

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"Khartoum, indifferent; Halfa, very bad; Dongola, good; Wad Medani, very good (since September 1901, when a new prison was opened); Suakin, very good; Kassala, nil; El-Obeid, nil."

The warders are all Soudanese, except at Wadi Halfa, where thirteen Egyptians are employed.

The health of the prisoners, during the past year, was good.

Medical.

Lieutenant-Colonel Penton, the principal Medical Officer of the Egyptian Army, reports that the general health of the army in the Soudan during the past year was good. There was a complete absence of infectious diseases amongst the troops. Colonel Penton attributes the absence of small-pox to the care taken in vaccinating the inhabitants of the towns and villages near stations occupied by troops. Cerebro-meningitis, which at one time caused considerable mortality amongst the troops and the population, seems to have died out. I note, as a point which may be of some interest to medical men, that "there is no evidence in the army of cancer ever occurring among the Soudanese. Arabs are sometimes affected by it."

As regards the health of the civil population, Colonel Penton says: "There has been a remarkable decrease in infectious diseases this year in the Soudan. Twenty-five cases of small-pox occurred in the villages near Khartoum, as against 131 last year, but that town, in common with all others, entirely escaped." This improvement is, without doubt, due to the extension of vaccination.

Small civil hospitals have been established at Omdurman, Khartoum, Halfa, Berber, Dongola, Suakin, and Kassala. As time goes on, and funds become available, it may be possible to increase the hospital accommodation, which is at present certainly inadequate.

As regards sanitation, Colonel Penton says: "The Moudiriah towns are kept clean. Surface-cleaning is thoroughly carried out. The main difficulty is the disposal of sewage, &c. In these towns, improvements are yearly noticeable." Colonel Penton adds, and I fully agree with him: "Sanitary regulations cannot be rigidly enforced in the Soudan. It is found impossible to control outlying districts in the vast extent of country, owing to the want of Government staff."

Cattle Plague.

Between December 1900 and May 1901, 986 cases of rinderpest were reported. The proportion of deaths was 66.6 per cent.; 2,824 inoculations were effected.

Lieutenant-Colonel Griffith, the Principal Veterinary Officer of the Soudan Government, reports: "I think we may now reasonably consider that the rinderpest no longer exists in the Soudan, but at the same time we are never safe from reinfection." Four mounted posts are being maintained on the main cattle roads into the Soudan from the plague-infected districts of Abyssinia.

Speaking of the high proportion of deaths to cases, Lieutenant-Colonel Griffith says: "What makes the real difference in increasing the death percentage is the delay between the first case showing itself and inoculation of the herd. As each day passes, more contract the disease. Serum, so far as my experience goes, has little curative power; so much so that, long ago, I gave up inoculating animals which had the disease on them."

Public Works.

About £ E. 90,000 was spent on public buildings last year. Of this amount, £ E. 27,000 was for barracks to house a British battalion at Khartoum. This charge is borne by the British Government. Of the remainder, which was on account of the Soudan Government, about £ E. 32,000 was for military and £ E. 31,000 for civil works.

The estimates for the current year are:—

							£ E.
British barracks	..	..	..	..	..	..	25,000
Military works	..	..	..	..	..	..	34,000
Civil works	..	..	..	..	..	..	31,000
Total	..	..	..	..	..	..	93,000

It is hoped that the bulk of the military buildings required will be completed in 1902, with the exception of the central Khartoum Hospital, and some of the barracks at El-Obeid, the Blue Nile, and Shendy.

The civil works at Khartoum, Berber, Kassala, El-Obeid, and on the Blue Nile will be continued during the current year.

As regards the Gordon College at Khartoum, Colonel Friend writes:—

"The Gordon College is well advanced, and will be finished during 1902. I see no reason to fear any excess on the money granted (£ E. 23,000), provided no addition be made to the existing design."

Reports from the Moudirs.

A fair idea of the condition of the people, and of the general progress of the Administration, may be gained by giving a few extracts from the reports of the various Moudirs.

Colonel Nason, the Moudir of Berber, writes:—

"I consider that the material condition of the people has improved most palpably. They are better clothed, and a great deal has been done in building new houses and improving old ones. The people of the Robatab district are by far the poorest of this Moudiriah, and the large percentage of very poor people, who appear to have very little to live on, seems to me most striking. The remission of the date tax, which has been sanctioned by the Governor-General, will, however, give them material assistance, and I trust this may be continued for three or four years more, to enable them to recuperate in some degree.

"I am pleased to be able to report that a certain number of people have returned to the Zeidab and Shendy sub-districts, and the Sheikhs of those districts have informed me that they have received news of several other families returning to their homes. Both these sub-districts are much under-populated, and consequently there is much splendid soil still to be cultivated, particularly in the Shendy sub-district.

"The new mode of land taxation is a great improvement, as it gives larger scope for the differences between soils.

"I consider the financial aspect of this province to be most encouraging. When you consider that, until this year, neither Zeidab nor Shendy sub-districts paid anything, and that they have, this year, paid full land and date tax, also herd tax, and, in addition, have returned large loans of grain which were issued in 1899 and 1900, it is full proof that they have not been too hardly pressed. I have just completed an inspection of these sub-districts, and have hardly heard a single complaint.

"The loan of cattle has been most successful.

"I believe the better class of natives to be most anxious to educate their children, but the permanent obstacle is the distance of the school from their homes."

Colonel McKerrell, the Moudir of Dongola, writes:—

"The people, as a whole, are very poor, but appear to be contented.

"The natives of Sukkut, Mahas, and Dongola are of a lazy and somewhat sullen disposition. There is a great change when one reaches the Shagieh country, i.e., Debbah, Korti, and Merowe. These people are industrious, cheerful, and more intelligent in every way.

"The inhabitants, generally, are beginning to build themselves better houses, and to grasp the advantages derived from cleanly habits as regards their persons and homesteads. This is, I think, a distinct step in advance.

"They are all still strangely averse to any innovations in the way of working their sakias, use of agricultural implements, &c.

"The population shows an increase of 14,046 over last year. Of this increase, 12,899 are children. There have been many births during the last year, but I fear not so many as this. I can only conclude that, as regards children, last year's census was much below, and this year's is above, the real numbers. I will see to this item myself in 1902.

"332 Baggaras, who were sent here in 1897, returned south this year.

"About 150 natives of Upper Egypt, i.e., Daraw, Assouan, &c., arrived during the year.

"The land tax revenue this year is £ E. 560 less than that of last year. This may be taken as most satisfactory, as no tax was taken on uncultivated land, as had been the custom in previous years. This remission has given the people time to recover

from the bad demera* of 1899, i.e., the crop of 1900, with the result that the cultivation of this (1901) demera has increased largely.

"There is no trade with Korfodan. I am convinced that there would be a market in this province for certain kinds of European merchandize, if any respectable firm chose to come here. Goods, such as cotton stuffs of all sorts, cutlery, all kinds of implements, cooking utensils, &c., would find ready purchasers. Those unable to buy would be incited to work harder in order to do so.

"There is still a certain amount of kidnapping going on, but it is difficult to catch the culprits, as they always take to the desert, and I have no mounted men to follow them.

"The attitude of the natives as regards education is good, and they appear anxious that their children should be taught. Each village almost has its 'kuttab,' and the attendance is good.

"On the whole, good progress is being made in the province. Want of population is what it most suffers from.

"As the population increases, more canals should be opened, but they are not required at present.

Captain Hayes-Sadler, the Administrator of Wadi Halfa, writes:—

"The inhabitants from Halfa northwards are seemingly very rich and prosperous, possibly in consequence of the influx of money from highly-paid representatives of the servant classes, many of whom are natives of this district, and invest their savings here, ultimately settling down when retired from service. On the other hand, to the south, between Halfa and Akasheh, the people are poverty-stricken, and their taxes were partly remitted during the year.

"With the exception of dates, there is very little export trade. The produce of this district is scarce, and the wants of the people are at present comparatively few.

"There is a great forwarding trade carried on locally by the merchants at Tewfikieh and Halfa.

"The natives here are excessively keen on the subject of education, and are fully alive to its advantages. There is an excellent school at Tewfikieh, and also a small 'kuttab,' which I hope the Egyptian Administration of Wakis will assist financially and by its moral support.

"This, though a small district, is a paying one, and, in my opinion, is capable of future development in due course of time."

Major Godden, the Administrator of Suakin, writes:—

"The people are content and satisfied so far, I think; but all regret the loss of trade to Suakin, and hope for better times.

"The total Customs receipts for this year (1901) will be approximately £ E. 4,790 less than last year, when they were £ E. 9,522. The loss of trade is due to the Nile Valley Railway being quicker and little more expensive than this route, and merchants obtain a quicker turn-over for their money. Indian trade has fallen off, and this year twenty merchants (mostly Indians) have either left Suakin entirely or have only an agency here, instead of their head-quarters. The abolition of the Awaid-el-Noba and the Government camel tax does not appear to have led to any increase of trade here at present, though by the end of October it will have been six months in force."

Major Godden forwards an interesting Report, written by Mr. Cope, the Inspector of the Slavery Department, in which an account is given of a patrol in the desert. It is too long to quote here, but I may remark that its perusal is sufficient to show the very great practical difficulties which have to be encountered in the conduct of anti-slavery operations.

Major Smith, the Moudir of Senaar, writes:—

"The material condition of the people is steadily improving: they are much more contented, better clothed, and beginning to appreciate justice and the present feeling of security, as well as the relief afforded against the oppression of the past.

"The population, I think, has increased on the whole, but as the statistics last year were only approximate, no comparison can be made.

"There has been a steady emigration to Kordofan, and immigration to Wad Medani, owing to the cheapness of the food supply in this town.

"The nomad tribes have increased steadily in flocks and herds, in consequence of the relief from intertribal raiding.

"The financial situation may be considered satisfactory, and compares favourably

* "Demera" is the local term for the flood-level of the Nile.

with last year. It should, however, be noted that these results have been obtained by the very strictest economy and cutting down of expenditure to the utmost limits it is capable of, owing to which many necessary administrative reforms have had to be shelved until more funds are available.

"Roads are now gradually being opened up, and are becoming better from the greater number of people who use them; the increase in trade has had a good deal to do with this.

"Roads have been laid out in Wad Medani, and trees planted on them. A good system of wide roads planted with trees will be laid out directly. Shops are begun to be built and sites settled.

"Owing to the regular service of steamers on the Blue Nile for about six months of the year, considerable traffic is carried on by boats; 217 boats are licensed.

"Trade has been pretty brisk this year, as a few statistics will show.

"As regards gum, royalties were paid on 2,607,680 rotles of 'tall' and 543,695 rotles of 'hashab.'

"The Customs receipts were as follows:—

Imports	..	..	..	..	..	..	..	..	£ E.
Exports	..	..	..	..	..	..	..	..	396
									95
Total..	..	..	..	..	..	..	..	..	491

"Half this amount went to Abyssinia and half to the Soudan Government. It shows that trade only wants encouragement.

"Ninety-one slaves were freed, and nine convictions obtained during the year. The slaves are chiefly brought down by traders from the Burun country and Abyssinia. They are found not to know Arabic, which is a pretty sure sign that they are outsiders.

"The attitude of the natives towards education is improving; they are not so suspicious. The school here shows an increase of twenty-four pupils since last year, but the total number at present is only forty-eight. The only school at present established is at Wad Medani.

"In my opinion, no more are required for the time being, as there has not been any desire shown by the natives, except at Wad Medani, to apply. I suggest that arithmetic and good writing be taught in addition to religious instruction."

Colonel Stanton, the Moudir of Khartoum, writes:—

"In February a certain Ali Abdul-Kerim gave himself out to be the true Mahdi. This man had been known for some time to be eccentric, and, being gifted with a certain amount of 'legerdemain,' he was able to pass off as miracles a few tricks on an ever-ready and easily gullible crowd. He collected a small following. His removal, however, to Halfa, and his inability to free himself from a Government gaol soon dispersed the belief in him.

"The land tax proper, as obtaining in the Berber and Dongola Provinces, was introduced into the Halfaya district of this province in January 1901. A considerable increase of revenue resulted from this step.

"The material condition of the people has considerably improved. Very large numbers of the Ghezireh population, after a good harvest in the autumn of 1900, went over to work the gum produce of Kordofan, but returned again to plant the Ghezireh rain-lands.

"Throughout the year the price of 'dhurra' (maize), the staple form of food, has not exceeded 60 piastres the ardeb at Omdurman, while in the centre of the Ghezireh the price has been as low as 8 and 9 piastres the ardeb, owing to lack of transport.

"In this connection, I would mention the great advantages which would be derived from a tram-line across the Ghezireh, or a navigable canal from the Blue Nile, running north from the neighbourhood of Senaar direct to Khartoum.

"There has been a steady emigration to Kordofan throughout the year, mostly on the part of those people who were driven out by, and fled from, Mahmoud and his army. A few Berberis from the neighbourhood of Assouan have settled near Kawa, on the White Nile; these are mostly people whose property will be inundated by the water of the new dam, when full. The Lahaween, who were driven away from the White Nile to the Blue Nile near Senaar, are returning to their old quarters near Marabieh.

"The financial situation of the province goes on improving from year to year. The one vital point to assure an increase of revenue is an increase in the staff of

British officials. I would venture to forecast that, with a British Inspector to each district, and with a doubled police, the revenue would be more than doubled.

"Except at Khartoum, no metalled roads exist in the province; but unmetalled tracks, which could be turned into excellent Tonga-roads, exist. With very little trouble, it would be possible to make these roads better than the usual country cart road of India. If a gang of twenty men under an officer, provided with picks and shovels only, was sent to do them, the time required would not exceed one month each road, as, beyond levelling hummocks of grass and removing scrub, there is no heavy work involved. Sand-wheels would not be necessary except for heavy cart traffic.

"The sugar-cane tried by me was all destroyed by white ants.

"I am endeavouring to introduce the production of rice on the White Nile. I hope to be able to report a successful result later.

"I am also obtaining £ E. 25 worth of different seeds of crops, such as berseem and vetches, suitable for the Soudan, from the Agricultural School at Cairo.

"Colonization by discharged Soudanese, even under favourable circumstances, such as at Hellet Abbas, on the White Nile, has not proved the success which one would have hoped and wished to see. It is an unfortunate fact that, except in isolated cases, when once the Soudanese gets free from discipline and control he degenerates into a lazy and useless member of society.

"In my opinion, little success will ever crown the efforts at colonization unless the Colony is worked on a system similar to that of a battalion, with an officer in charge, and every man made to cultivate sufficient ground for the support of himself and his family, or else suffer punishment. To give a discharged Soudanese land, seed, and implements is not enough. He must be put under some obligation stronger than a moral one to make him work for his bread; otherwise, he will soon leave his cultivation to look after itself, and take himself off to the nearest large town and live by his wits and begging.

"The great difficulty I have to contend with is to keep the colonists in their Colony. They start well enough, and when the rains are good and no trouble is required there is no difficulty in getting them to plant a sufficient area for the crop required. But when it comes to "shadoof" work, and artificial irrigation is required, they soon tire of it and, unless supervised, will leave the crop to wither, and decamp for a hand-to-mouth existence in one of the large towns. It is, after all, not so very much to be wondered at that, after a life spent under strict discipline, where all his actions were controlled and ordered, the Soudanese, finding himself at length free from all supervision and control, should return to the inherent, natural, and happy-go-lucky state of his fathers in their primitive and uncivilized homes.

"The attitude of the natives towards education generally has undergone a complete change. Two years ago they were distrustful and suspicious, whereas now, on the contrary, they are only too anxious to send their children to the Government schools, where such exist. The growth of the schools at Khartoum and Omdurman, under the Director of Education, is sufficient proof of this. These schools have been enlarged three times.

"Education in the districts is still limited to 'kuttab' schools, which can hardly be termed education at all. In these the children are taught to read and write, and to learn by heart verses of the Koran, with sometimes a little arithmetic of a very primitive order.

"Government schools are badly needed at the large centres in the province when the Director of Education can raise the necessary teaching staff.

"I consider the curriculum, as arranged by the Director of Education, to be by far the most suitable, and would advise no alteration, except, perhaps, to suggest that English is taught a little too soon. There is a tendency on the part of parents to teach their children English before they know their own tongue, with a view to getting them early employed in Government offices. I do not think that any encouragement should be given to this movement."*

Colonel Mahon, the Moudir of Kordofan, writes:—

"The condition of the people is, on the whole, improving. The population is increasing everywhere, especially in Dar Hamid; but this district suffered this year from want of rain, so the crops were a failure. Many new wells have been opened. The gum crop was very good last year, and the people made a good lot of money by it; but lack of capital to provide transport greatly interferes with this trade. The cattle trade from the south is increasing.

* See the remarks of Mr. Currie on this subject, under the head of "Education."

"El-Obeid has largely increased in population since last year and also in prosperity, but it is handicapped by the partial failure of the grain crop. Nahud has increased in population, as also El-Edyia. Duem has also increased in size and population, and is an important trade centre.

"I cannot give an estimate of the population of the province, as a great portion of it has never been explored; but it has increased largely in the parts I have visited since last year.

"The condition of the nomad tribes is, on the whole, satisfactory, though they are poor, with the exception of the Kababish, Kowahala, and Ghanabla, who have large herds of camels. The Homr have a certain amount of cattle and sheep, but all are very much scattered, and are not under a Sheikh or Nazir. The Howasma are also much scattered, but have lots of cattle and horses.

"The payment of tribute has caused a little difficulty, but when the question of Sheikhship is finally settled, I do not think there will be any further difficulty.

"Water supply all over Kordofan is limited, and would never be sufficient for European colonization. The permanent supply is from wells during and after the rainy season, from Gullas, and in the west from Tabeldi trees, which are hollowed out and filled during the rains.

"Owing to the size of the province, and the very small proportion of officials and police, it was very difficult to enforce financial Regulations. Next year, when it is hoped that extra officials and police will be allowed, the financial results might be much improved. The people, on the whole, are poor. The crops in most places were below the average this year, on account of the slight rain-fall; also the fall in the price of gum has not tended to add to their prosperity; but with all that, they are better off than last year, and, if there is a good rain-fall this season, will be fairly prosperous next year.

"As regards education, the people are indifferent.

"Syphilis is raging all over Kordofan; in fact, there are very few men and women in the country not suffering from this or some other venereal disease.

"The crime in the province, considering its size, has been remarkably small.

"The inhabitants, so far as I can judge, are loyal, and are satisfied with the present Government.

"Trade has been fairly good, but the habit of merchants at Khartoum advancing to Sheikhs and small traders in Kordofan money and goods under promise of receiving gum, &c., from them ought not to be encouraged, as these Sheikhs and small traders promise and sign agreements which it is impossible for them to carry out. There are many cases now where Khartoum merchants have got judgments against Sheikhs, and the latter have neither money nor property."

Major Dwyer, the Acting Moudir of Kassala, writes:—

"The condition of the people in this province depends almost entirely on the rain-fall and the Gash flood. The nomad lives entirely on his cattle, moving about from place to place according to the grazing. The remainder depend entirely on their cultivation, principally Dhurra. Last year, the rain-fall throughout the province was ample, while the Gash flood, though late, better than was anticipated, so that the people were able, for the first time since our occupation, to gather a fairly heavy crop, of which they are now getting the benefit, as a certain amount of export trade is starting, and is likely to continue and increase, as soon as tribes from remote districts are able to procure transport.

"The debts due to the Government are being paid off, and each season the area of cultivation increases and the small markets are better patronized. The small trader, with his donkey, is now to be met perambulating the country, which is evidence that the condition of the people is improving, though the improvement is, and will be, gradual. Jewellers, shoe-makers, dealers in piece-goods, and leather-dressers are now beginning to make a little headway, and in Kassala itself shops are being reopened, instead of closing, as in former years.

"Gedaref town is the most disappointing of all the province, but this is due to the shameful conduct of an official, who has since been removed. He was the direct cause of nearly all the artisans, petty traders, and small shop-keepers leaving the district. From the same cause, trade with Abyssinia was strangled, and Gallabat suffered in consequence; trade connection, once dislocated, is difficult to re-establish. However, in the coming year I hope prospects will brighten as far as these two places are concerned, as the crops for the ensuing season promise well, and the inhabitants have a good surplus from this year's harvest for export.

"A good deal of money changed hands at Gedaref between the months of Novem-

ber 1900 and June 1901, by means of the gum trade. This was the first year it had been tried on any extensive scale.

"The black population of Gedaref has increased by immigration, but I do not trust the returns, as these people are very shy and suspicious when questioned as to their numbers, owing to their dread of being handed over to the Arabs as servants.

"Round Kassala, the Arab population has increased, and numbers of Toukruris have settled down on the Gash; there is no means of getting at the average birth and death-rate, but last year, being a healthy year and food comparatively cheap and plentiful, more people are seen moving about, and children in fair numbers playing outside the villages.

"From my own observation, I should say that the nomad tribes were decidedly prosperous and flourishing. They are in possession of large numbers of sheep and goats, and a fair number of cattle, all of which are healthy. There is a good market established in Kassala, and a fair trade is carried on. Camels can now be obtained without difficulty, which formerly was not the case. This, I think, was due greatly to the suspicious nature of the Arab character, and the stories circulated that the Government used to seize these animals for compulsory work.

"Numbers of sheep and goats are bought by traders in the out-districts, and exported to other provinces, mostly for purposes of slaughter.

"More of the nomads are coming into the market every week, making small purchases, which indicates that they cannot be in any need of spare cash.

"I think the estimated receipts from royalties on gum (£ E. 3,000) is excessive, and I anticipate a reduction in receipts from this item compared with last year, as this year the merchants will not touch gum except under very favourable conditions. In my opinion, fixing the price of the kantar, on which royalty is to be paid, is hitting the producer very hard, and is likely to interfere with the collection of gum in the future. Gum-collecting entails a great deal of hard work, and much discomfort and hardship, owing to the long distances these people have to travel—often a day or two from water—and the losses they incur by the depredations of wild animals and birds. Anything which tends to discourage a young and growing industry is a pity. Of one thing we may be quite sure: that the middle-man will not be the loser.

"Reviewing the financial situation of the province, the future is encouraging. Larger areas are under cultivation; the people have a good stock of seed for sowing, and a surplus for export. They are beginning to sow cotton again, which will stimulate trade with Abyssinia. Trade is reviving throughout the entire province, the markets are better patronized and the small traders are increasing. This all augurs well for the future; though the returns at present may not be as large as could be wished, the province is benefiting and slowly improving.

"There are no roads worthy of the name in this province. There are only tracks winding along over the open spaces, and in and out among the thorn bushes.

"Railway extension, more particularly to tap Gedaref, would be the quickest, and, indeed, only means to develop and make use of the resources of this fertile province, as it only requires the people to cultivate to yield a handsome return.

"The small traders are increasing in numbers, but at Kassala and Gedaref I find that these people—mostly women—were charged half a piastre a-day for the privilege of sitting in the market, in the sun, with a few poor little articles exposed for sale. I abolished this tax, with the result that, where there used to be one, there are now a score. They pay us indirectly, and turn an honest penny for themselves.

"Butchers are increasing; the meat exposed for sale is very good and cheap—2½ to 3 piastres an oke (2½ lbs.).

"The number of Sakias (water-wheels) in Kassala itself has increased since last year. I do not think that any more will be started for the present. There are people along the Atbara who would restart their old gardens, but, unfortunately, I have no one here who can make a Sakia nor the pots.

"The colony of discharged soldiers, established on the Gash at Kassala, has turned out a great success. The original colonists are now independent of Government support, and number about 110. Last year, and this year, they had good crops from the Gash flood. This year's crop has not yet been gathered, but promises well. Most of the colonists have a donkey, some sheep, goats, and fowls, and they seem quite happy and contented. When available, they are employed on the Public Works, and are very useful.

"Those at Gedaref are not so well-off nor so prosperous as those at Kassala, but they have a little village of their own, and are fairly well-off, and can support themselves.

"Slavery does not exist in this province. A large number of so-called servants have left their masters and settled down in Kassala and Gedaref. There may be a few cases of compulsory service amongst the nomads, but, as soon as they come within reach of Kassala, these blacks leave them.

"A school at Kassala and at Gedaref is urgently required. The natives want their children educated. I could manage to secure a building temporarily if an efficient master could be supplied."

Major Blewitt, the Moudir of Fashoda, writes:—

"No taxes were imposed on the native tribes during the year, and the only sources of revenue have been from game licences, the royalty on gum and ivory, and the purchase of ivory to be resold in Khartoum.

"As regards administration, little more has been attempted than to make the acquaintance of the various Sheikhs, and settle for them local disputes. It is of great importance to try and gain the confidence of the people, as they seem to have an extraordinary dread of the "Turk," and the former Egyptian rule seems to have been very little less dreaded than the Dervish occupation. For this reason, Mamours and police officers should be very carefully selected. At present, the Sheikhs all express great delight at once more finding themselves under the Egyptian Government, and readily come to the officials when sent for. For all that, to gain the real confidence of the people will take time, and they should be informed what the scheme of taxation is to be as soon as possible. Personally, I always inform them that taxes will have to be paid, but that they will not be heavy, and will not be altered for a stated time.

"There has been little tribal warfare, except an occasional raid for cattle. The Nuers still hold aloof, except those actually settled on the Sobat and Pibor Rivers."

I conclude with an extract from the Report of Sir Rudolf von Slatin, whose opinions derive special weight from his long and intimate knowledge of the country and its inhabitants:—

"The general situation in the Soudan," he writes, "is, on the whole, satisfactory. The population understand that the Government rule is just, and, if orders are given which may be against their customs, habits, or traditions, they submit themselves willingly, knowing that such steps are taken for the good of the country. Imports and exports are increasing, and it is hoped that the opening of the Bahr-el-Ghazal province will enable us to bring india-rubber and gutta-percha in large quantities to the market."

Conclusion.

The point of chief importance in connection with the government of the Soudan since its reoccupation has been to avoid any serious fiscal or administrative errors at starting, which it might possibly have been difficult to rectify later. I think it may be said that no such errors have been committed. The form of Government is suitable to the present very backward condition of the country. It is not a military Government, if I rightly understand the use of that very vague and indefinite expression. It is a Government which endeavours to carry out the ordinary principles of civil administration through the agency of a number of carefully-selected officials, most of whom are military officers. It is only necessary to read the Reports, which I have endeavoured to summarize in this despatch, to be convinced that, although possibly in connection with some few points the military characteristics of the principal officials may be traced, the spirit which inspires the whole Administration is, in its essence, not military, but civil. The main, and, indeed, I may almost say the only, objection to the employment of military officers in the civil Government of the Soudan is that to which I alluded in my last annual Report, namely, their liability to be removed at a moment when their services are of the greatest value. It will be desirable, in order to obviate this risk, that the military should gradually yield to the civil element in the Administration of the Soudan. But I should greatly deprecate any brusque change. Under all the circumstances of the case, the existing machine of Government, taken as a whole, is probably as good as any that could be devised.

With this administrative machinery, a good deal has been already effected.

In the first place, order reigns supreme. Save in some few very remote localities, life and property may be said to be everywhere secure. The ordinary principles of civil and criminal justice are applied throughout by far the greater part of the country.

In the second place, so far as I can gather, the people seem contented. Their contentment rests, I believe, on two main grounds. First, there has been no interference with their religion or religious customs; secondly, they are not overtaxed. It must be irksome to the many zealous and competent officials employed in the Soudan to see reforms, which to them must appear matters of urgent necessity, postponed for want of funds. But I notice with special pleasure that, throughout their Reports, the importance of moderation in fiscal matters is fully recognized. A somewhat long experience of the East has led me to attach more importance to low taxation than to reforms, however necessary these may, from the European point of view, appear. As the revenue grows, and as funds become available, these various reforms will be accomplished in the Soudan, as they have, for the most part, been already accomplished in Egypt, though I do not doubt that the process of reformation will be relatively slow. In the meanwhile, it is greatly to the credit of Sir Reginald Wingate, and those serving under him, that, with such limited resources, so much real progress should already have been made.

The main requirement of the Soudan, for the moment, is, as I have already mentioned, the improvement of its communications, and notably the establishment of connection by rail between the Nile Valley and the Red Sea. When the Engineer officers can report with confidence as to the best method of attaining this latter object, the funds necessary for the execution of the work shall be forthcoming, and the very important question of the labour, through the agency of which the railway shall be constructed, will be fully considered.

I have, &c.
(Signed) CROMER.

No. 34.

War Office to Foreign Office.—(Received March 4.)

Sir,

War Office, March 3, 1902.

I AM directed by the Secretary of State for War to acknowledge the receipt of your letter of the 18th January, 1902, forwarding a despatch from Lord Cromer on the subject of the prospects of promotion for British officers serving with the Egyptian army.

As regards this representation, I am to point out that service under the Sirdar has been rewarded more liberally than military service in other parts of the Empire. The honours and rewards bestowed on the army in Egypt has caused heart burnings in India and elsewhere; whilst the pay of British officers in the Egyptian army compares not unfavourably with the pay of the Staff Corps officers of the same rank in India, and the conditions of life are not less attractive.

In the case of the two officers instanced by Lord Cromer as officers who would be prejudicially affected if they prolonged their Egyptian service under existing rules, Brevet-Major (local Lieutenant-Colonel) H. V. Ravenscroft has eleven and a-half years' service, and if he were in the Indian Staff Corps he would have to wait six and a-half years before promotion to a substantive majority, and even if he reverted to his British regiment, it is doubtful whether he would attain such rank with much under seventeen years' service.

In the case of Major (local Lieutenant-Colonel) Peake, C.M.G., Royal Artillery (who has just completed seventeen years' service), this officer, if promoted on completion of his seven years' service with the Egyptian army, would supersede some 150 officers in the Royal Field Artillery, many of whom—indeed, most of whom—have been doing good work in South Africa.

In reply, I have to inform you that the Commander-in-chief would be prepared to consider the claims of these officers (and others similarly circumstanced) to substantive promotion on the half-pay list when these officers would have become eligible for such promotion had they reverted to regimental duty; or he would not object to regulating the promotion of half-pay officers (prolonging their service in the Egyptian army) under the system applicable to officers of the Indian Staff Corps.

But in Major Peake's case it will be seen that he applies for exceptional promotion which he would not obtain under either of these alternatives. He is, no doubt, a deserving officer, but, during his six and a-half years' service in Egypt, he has already been rewarded, in addition to medals and clasps, with a C.M.G., a Brevet-Majority, and the Fourth Class of the Osmanieh and Medjidie.

As regards the contention that Major Peake is entitled to a half-pay Lieutenant-Colonelcy under Article 33 of the Royal Warrant, and paragraph 3 of the "Memorandum of Service of British Officers in the Egyptian Army," I am to observe that the case has been considered by the Selection Board, the conclusion arrived at being that the claim is inadmissible.

I am further to state that Mr. Secretary Brodrick is ready to make any relaxation which is temporarily necessary, as regards length of service in Egypt, to supply Lord Cromer with what officers are needed; and as regards rank, he will endeavour to enact a length of service rule such as is applicable to the Indian Staff Corps, and respecting which a further communication will be made in due course.

I am, &c.
(Signed) E. W. D. WARD.

No. 35.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 7.)

(No. 31.)

(Telegraphic.) P.

Cairo, March 7, 1902.

NEW Harbour works at Port Said.

With reference to your Lordship's telegram No. 24 of the 25th, and your Lordship's despatch No. 34 of the 28th ultimo, I would suggest, as offering the best chance of a satisfactory solution, that the Director of Works should come on here after consultation with the Admiral at Malta. I would not advise his visiting Paris first, but he might go there on his return journey.

No. 36.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 12.)

(No. 33.)

(Telegraphic.) P.

Cairo, March 12, 1902.

THE Egyptian Government have been asked by Mr. Carton de Wiart, an Anglo-Belgian lawyer, and M. Quellenec, the French engineer of the Suez Canal Company, to give an undertaking that, for one year, they will not grant to any third party a Concession for the construction of a railway on Egyptian territory, to be joined to a line coming from Palestine. These gentlemen are acting in the matter with Messrs. Vitali of Constantinople. The reason of their present demand is that, unless they receive from the Egyptian Government some assurance of the nature stated above, they do not think it worth their while to incur all the trouble and expense of negotiations at Constantinople. I quite understand this point of view.

The group is the same as was represented by Colonel Marryat, who had an interview some while ago with Sir Thomas Sanderson.

If it is distinctly laid down that the Egyptian Government retain full liberty of action as to the eventual acceptance or rejection of any subsequent proposal which may be submitted to them, I am inclined to recommend that the request be granted.

Does the proposal meet with your Lordship's approval? My own view on the general questions is that we need not resist the construction of the line, provided that, for a considerable distance, it runs quite close to the sea-coast.

I have repeated this telegram to His Majesty's Ambassador at Constantinople.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 17.)

(No. 32.)

My Lord,

Cairo, March 4, 1902.

I HAVE the honour to inclose a supplement to the "Official Journal,"* in which the accounts of the Egyptian Government for the year 1901 are published.

The results, in round numbers, are as follows:—

	£ E.
Revenue	12,160,000
Expenditure	11,396,000
Surplus	764,000

On the revenue side of the account is included a sum of £ E. 216,000, which, under an arrangement made some years ago, when the land tax was reduced, is paid annually to the Egyptian Government by the Caisse de la Dette.

On the other hand, the following items are included on the expenditure side of the account:—

	£ E.
Sinking Fund (Guaranteed Loan)	64,000
Conversion economies	265,000
General Reserve Fund	1,143,000
Total	1,472,000

If the items mentioned above be deducted from either side of the account, the following result is obtained:—

	£ E.
Revenue	11,944,000
Expenditure	9,921,000
Surplus	1,920,000

In other words, after paying the cost of administration, including £ E. 417,000 for the Soudan, and after providing for the payment of interest on the Debt, a true surplus of nearly 2 millions sterling remained over.

The accumulated economies, resulting from the conversion of the preference stock in 1889, now amount to £ E. 4,490,500.

A sum of £ E. 3,795,000 stands to the credit of the General Reserve Fund. Of this amount, £ E. 2,839,000 is pledged to expenditure of various sorts, mostly public works, thus leaving an unpledged balance of £ E. 956,000.

A sum of £ E. 1,287,000 stands to the credit of the Special Reserve Fund. Of this amount, £ E. 567,000 is pledged to expenditure in the Soudan, mostly on railways, thus leaving an unpledged balance of £ E. 720,000.

Debt to the extent of 416,000l.† was paid off during the past year. The outstanding capital of the Egyptian Debt now amounts to 103,265,000l., of which 8,265,000l. is held by the Commissioners of the Debt, thus leaving a balance of about 95,000,000l. in the hands of the public.

I have, &c.
(Signed) CROMER.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 22.)

(No. 40.)

My Lord,

Cairo, March 14, 1902.

I HAVE the honour to transmit to your Lordship herewith copy of a letter, inclosing a Memorandum, which has been addressed to the Egyptian Minister of Finance by Messrs. Carton de Wiart and Quellenec, on the subject of the proposed

* Not printed.

† The figures for the Debt are given in sterling, not in Egyptian currency.

construction of a railway line to connect Egypt and Palestine, regarding which I have recently had the honour to communicate with your Lordship by telegraph.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 38.

MM. Carton de Wiart and Quellenec to Ahmed Pasha.

M. le Ministre,

Le Caire, le 6 Mars, 1902.

DEPUIS 1897 les Soussignés s'occupent avec quelques autres personnes de l'étude d'un chemin de fer devant relier l'Égypte à la Palestine et à la Syrie; ils ont fait faire sur les lieux une reconnaissance détaillée de la première section de cette ligne, comprise entre Kantara sur la rive Asie du Canal de Suez et Sedjed, station du chemin de fer de Jaffa à Jérusalem, et ils ont fait dresser un avant-projet complet pour cette section dont la longueur serait de 300 kilom., savoir: 220 kilom. sur terrain Égyptien entre Kantara et Raffa par El Ariche, et 80 kilom. sur territoire Ottoman entre Raffa et Sedjed. Cette ligne principale serait complétée par un embranchement d'une quarantaine de kilomètres entre Kantara et Port-Saïd sur la rive Asie du Canal de Suez. L'écartement de la voie serait de 1.5 mètres, pour être raccordée aux lignes Ottomanes de Syrie et de Palestine.

Les Soussignés et leurs associés se sont assurés les moyens techniques et financiers nécessaires pour mener cette entreprise à bonne fin; ils se sont également assurés les concours nécessaires pour traiter à Constantinople la question de la Concession sur territoire Ottoman et du raccordement à la frontière.

La ligne projetée ne pouvant avoir d'utilité pratique que si la partie sur territoire Ottoman peut être construite en même temps que la partie Égyptienne, les Soussignés et leurs associés pensent qu'il n'est pas à propos de formuler dès aujourd'hui une demande de Concession ferme au Gouvernement Égyptien, mais ils estiment aussi qu'il est impossible d'engager des négociations officielles à Constantinople sans avoir obtenu préalablement l'assurance qu'en cas de réussite de ce côté, la Concession sur territoire Égyptien leur sera accordée.

Les Soussignés viennent en conséquence vous demander, M. le Ministre, de vouloir bien leur faire savoir si le Gouvernement est disposé à leur accorder à option pour le terme d'une année la dite Concession.

Dans le cas d'une réponse favorable, les Soussignés s'engageraient à présenter à l'agrément du Gouvernement Égyptien aussitôt la Concession obtenue à Constantinople, un groupe financier garantissant l'exécution de la ligne projetée conformément aux clauses et conditions d'un acte de Concession et d'un cahier des charges à établir par la Commission des Concessions et suivant un tracé sur territoire Égyptien approuvé par le Gouvernement.

La Concession demandée pour une durée de soixante-dix ans ne comporterait, de la part du Gouvernement Égyptien, aucune garantie d'intérêt; mais la ligne projetée dont le trafic ne se développera que lentement, traversant de vastes territoires meules, les Soussignés demandent que le long de la voie de Kantara à la frontière, des terrains soient cédés aux concessionnaires en toute propriété en des points et suivant des dimensions à déterminer d'un commun accord.

Si dans le délai d'un an, les négociations n'avaient pas pu aboutir à Constantinople en forme définitive, par suite des difficultés administratives, une prolongation du délai ci-dessus pourrait être accordée aux Soussignés moyennant le dépôt d'un cautionnement à fixer par la Commission des Concessions.

Veillez, &c.
(Signé) L. CARTON DE WIART.
E. QUELLENNEC.

Inclosure 2 in No. 38.

Memorandum.

DEPUIS 1897 MM. Carton de Wiart, Quellenec, et quelques amis s'occupaient des études d'un chemin de fer devant éventuellement raccorder la ligne de Jaffa-Jérusalem avec la rive Asie du Canal de Suez, en face d'Ismailia ou de Port-Saïd.

Comme il s'agissait d'un réseau international et d'une Concession, qui, pour environ un quart du parcours à effectuer, était en territoire Ottoman, le Représentant du Gouvernement Britannique fut pressenti, et le projet lui fut soumis.

La question fut référée au Foreign Office, et le Colonel Marryatt, R.E., Administrateur Délégué des Chemins de Fer du Delta, qui, à titre privé, faisait partie du groupe, eut diverses entrevues avec Sir Thomas Sanderson.

Ensuite de ces pourparlers le projet fut légèrement modifié, la ligne rapprochée du rivage de la mer, et le point de départ fixé à Kantara.

En même temps, des négociations furent entamées pour le rachat éventuel de la ligne Jaffa-Jérusalem, et son incorporation à la Société Anglaise à former pour la ligne projetée.

D'un autre côté, la maison Vitali traitait avec M. Quellenec pour l'obtention de la Concession en territoire Ottoman, et faisait tâter le terrain à Constantinople.

Elle nous informe aujourd'hui qu'elle est en mesure de poursuivre utilement l'obtention de la Concession Ottomane, mais que—avant de s'avancer davantage—elle désire savoir si elle peut éventuellement compter sur l'obtention par notre groupe de la Concession Égyptienne.

MM. Carton de Wiart, Quellenec, et consorts vont donc demander au Gouvernement Égyptien de leur accorder éventuellement la Concession de la ligne projetée, et d'un embranchement vers les salines de Port-Saïd. La Concession ne serait donnée qu'après l'approbation du tracé provisoire par l'Ingénieur du Gouvernement, et du projet financier par le Ministre des Finances, tant au point de vue du projet même que des personnalités qui en auraient la gestion; mais dans l'intervalle, et pendant une période d'une année, le Gouvernement n'accorderait à personne autre la Concession telle qu'elle est demandée.

A l'expiration de ce délai, ou dès que la Concession Ottomane aura été accordée, MM. Carton de Wiart, Quellenec, et consorts auront à se mettre en règle pour l'obtention de la Concession définitive, ou sinon pour une prorogation de délai moyennant un cautionnement à déterminer par la Commission des Concessions.

Le Caire, le 16 Février, 1902.

No. 39.

Admiralty to Foreign Office.—(Received March 24.)

Sir,

Admiralty, March 22, 1902.

WITH reference to Foreign Office Memorandum of the 7th March, 1902, inclosing copy telegram No. 31 from Lord Cromer, in which it is proposed that the Director of Admiralty Works should, after consulting with the Naval Commander-in-chief at Malta, proceed to Cairo to discuss the Suez Canal Company's proposals with Lord Cromer for the transfer of Admiralty land at Port Said to the Company, I am commanded by the Lords Commissioners of the Admiralty to draw the attention of the Secretary of State for Foreign Affairs to Admiralty letter of the 27th February, 1902, in which the views of the Admiralty in regard to the proposed widening of the Canal and the improvement scheme generally are set out.

2. My Lords in that letter indicated that, while they were anxious to in no way prevent the carrying out of the scheme, it appeared to them that it could be so modified as to enable the Admiralty to retain an area of land corresponding to that which they have at present along the Canal front without in any way impairing the efficiency of the Company's proposals.

3. Since that letter, a communication has been received from you dated the 5th

March, 1902,* in which the details of the proposed exchanges of land are indicated. These are quite unacceptable, and my Lords have no choice except to decline them.

4. It is assumed that when the Admiralty suggestions set out in the letter above referred to are considered by the Suez Canal Company, a further communication will be received from Lord Cromer on the matter with an amended scheme, and until this has been considered by my Lords the Director of Works will not be in a position to discuss the details of this question. They therefore do not see how his proposed visit to Cairo under present conditions would promote a satisfactory solution, but no doubt Lord Cromer will write more fully in explanation of the reason of his telegram. The state of the matter under discussion and the local conditions are thoroughly understood by my Lords, and the general principles can be decided upon in this country.

5. I am, however, to state that Mr. Pretyman, M.P., the Civil Lord of the Admiralty, will be passing through Paris between the 16th and 20th April on returning from the Mediterranean, and he could then discuss the matter with the Directors of the Suez Canal Company if such proposal is acceptable to the Secretary of State.

I am, &c.

(Signed) EVAN MACGREGOR.

No. 40.

Foreign Office to Admiralty.

Sir,

Foreign Office, March 27, 1902.

I HAVE laid before the Marquess of Lansdowne your letter of the 22nd instant relative to the proposed exchange of land at Port Said between the Admiralty and the Suez Canal Company.

I am directed by Lord Lansdowne to inform you that he sees no objection to Mr. Pretyman discussing the matter with the Directors of the Company at Paris, provided it is first ascertained, by consultation with Sir John Stokes, that such a course of procedure will be likely to contribute to a settlement.

A copy of your letter under reply will be sent to His Majesty's Agent and Consul-General at Cairo by the mail of the 28th instant.

I am, &c.

(Signed) T. H. SANDERSON.

No. 41.

The Earl of Cromer to the Marquess of Lansdowne.—(Received March 31.)

(No. 41. Confidential.)

My Lord,

Cairo, March 18, 1902.

A QUESTION having been raised as to the exact line of the frontier between Egypt and Turkey on the East, i.e., between the Mediterranean and the Gulf of Akaba, the subject has been carefully considered by Count Gleichen, Director of the Intelligence Department, and Boutros Pasha, Egyptian Minister for Foreign Affairs.

I have now the honour to inclose herewith—

1. Copy of a letter from Boutros Pasha to Count Gleichen.
2. Copy of a letter from Count Gleichen to the Commandant of the Sinai Peninsula, containing instructions as to the line which is to be considered as the eastern frontier of Egypt.

3. Copy of a sketch map showing the places mentioned in the letter forming Inclosures 2 and 3.†

Count Gleichen has supplied a copy of his letter of instructions to the Commandant of the Sinai Peninsula to Boutros Pasha both in Arabic and in English.

From the inclosures above mentioned your Lordship will perceive that, though the more easterly line is regarded as the true frontier by the Egyptian Government, it does not intend for the moment to extend its authority further than the line passing through Rafeh, El-Gurieh, El-Makdaba, Jebel-el-Helal, El-Munbat, &c., to Akaba.

* Sending Lord Cromer's despatch, No. 21, February 20, 1902.

† Not printed.

In view of the arrangement arrived at at the time of the Firman of Investiture of the Khedive in April 1892, I concur in the views of the Egyptian Government as regards the eastern frontier.

I have, &c.
(Signed) CROMER.

P.S.—A copy of this despatch has been sent to Constantinople.

C.

Inclosure 1 in No. 41.

Boutros Pasha to Count Gleichen.

Mon cher Comte,

Le 11 Mars, 1902.

EN réponse à votre lettre du 5 courant, j'ai l'honneur de vous informer que le Gouvernement partage votre manière de voir, à savoir, que, prenant pour base les limites indiquées dans la lettre de Lord Cromer en date du 13 Avril, 1892, nous devons considérer comme frontière de l'Égypte la route de Rafeh, El-Wedjh, El-Mueilah, &c., Nakbel Akaba, Akaba.

Mais en attendant que vous ayez des renseignements complémentaires, le Gouvernement ne voit pas d'objections à ce que vous écriviez au Commandant de Nakhl de ne pas chercher, pour le moment, à étendre son autorité au delà de la route Raheb-El-Gurieh-El-Makdaba-Jebel-el-Helal, &c.—Akaba.

Je vous serai obligé, mon cher Comte, de m'envoyer copie de vos instructions au Commandant de Nakhl, afin qu'on puisse les communiquer au Gouverneur de El-Arish.

Veillez, &c.
(Signé) BOUTROS GHALI.

Inclosure 2 in No. 41.

Count Gleichen to the Commandant, Sinai Peninsula.

Soudan Agent's Office, Cairo, March 13, 1902.

IN answer to your letter of the 19th January last, asking what is the exact boundary of the Sinai Peninsula to the east, I herewith inclose you a sketch map, and have to inform you that the Egyptian Government considers that the boundary extends from the Mediterranean Sea at Rafeh (where two pillars mark the frontier) in a south-easterly direction to Akaba, on the Gulf of that name, along the road passing through El-Ogah, El-Mwelah, El-Kassaymah, Urcf-en-Naka, and Nakb-el-Akaba, as marked on the accompanying map.

In order to obtain further information about the tribes to the west of the above line, it is intended to send a coast-guard patrol in two or three months, from Rafeh in a southerly direction, to Nakhl, and perhaps to Akaba; but treat this matter as confidential.

For the present, therefore, you will not extend your authority eastwards of the line Rafeh-El-Gurieh-El-Makdaba-Jebel-el-Helal-El-Munbat-Mashash-el-Kantilla-Nakb-el-Akaba-Akaba.

Meanwhile, please collect information as to the Tarabin Tayaha, Azazima, and Lahawat tribes, more especially as to their locality, numbers, Sheikhs, and divisions, and to whom they pay allegiance or tribute.

It would be useful if you could send me a rough map of the country on each side of the frontier showing the localities of the different tribes and the position of the places which you mention in your previous reports, as I have no good map of those parts.

Please send this information as soon as possible.

The Governor of El-Arish is being sent a copy of this letter.

(Signed) GLEICHEN, Miralai,
Director of Intelligence, Cairo.

No. 42.

The Earl of Cromer to the Marquess of Lansdowne.—(Received April 7.)

(No. 44.)

My Lord,

Cairo, March 28, 1902.

AS your Lordship is aware, by the terms of Article 18 of the Khedivial Decree of the 27th July, 1885, the annual sum devoted to meet the working expenses of the Egyptian Railway Administration was fixed at 45 per cent. of the gross receipts. Experience has shown that this amount is insufficient, more especially in view of the growing requirements of the country due to agricultural extension and increased prosperity, to enable the railway system to have proper scope for development and improvement.

The Egyptian Government now propose that this amount should be increased to 55 per cent. of the gross receipts, a figure which, it is believed, after full consideration of the circumstances, will be sufficient to meet the present necessities of the case. To this change, the consent of the Signatory Powers is, of course, required; but as the Commissioners of the Debt have expressed themselves favourably on the subject, I do not anticipate that any difficulty will be experienced in obtaining this consent.

Under these circumstances, as the proposed modification appears to me to be, in all respects, a very desirable measure, I venture to recommend it to your Lordship's favourable consideration, and I should be glad to receive authority to signify the concurrence of His Majesty's Government to the Decree inclosed herewith.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 42.

Boutros Pasha to the Earl of Cromer.

(Circulaire.)

Milord,

Ministère des Affaires Étrangères, le Caire,
le 27 Mars, 1902.

LES crédits ouverts pour les dépenses ordinaires des chemins de fer ayant été fixés par l'Article 18 du Décret du 27 Juillet, 1885, à la proportion de 45 pour cent des recettes brutes, l'Administration des Chemins de Fer a exposé que, actuellement, cette proportion est insuffisante pour assurer dans des conditions satisfaisantes l'entretien et l'exploitation régulière de son réseau. Cependant, elle considère comme un devoir de réaliser ces améliorations indispensables, et elle vient d'appeler sur cette situation l'attention du Gouvernement.

Partageant cette manière de voir, le Gouvernement a reconnu que le chiffre de 45 pour cent, arrêté à une époque déjà ancienne et dans des conditions bien différentes de celles qui existent actuellement, ne répond plus aux besoins présents. Il estime, toutefois, qu'il serait difficile de fixer, dès maintenant, à titre permanent, une proportion permettant d'assurer d'une manière constante le résultat envisagé par l'Administration des Chemins de Fer, sans courir le risque de laisser la porte ouverte à une surélévation de dépenses, supérieure au strict nécessaire.

Dans l'opinion du Gouvernement, la meilleure solution consisterait à obtenir des Puissances la faculté de varier la proportion chaque année, d'après les exigences de la situation, tout en déterminant une limite maximum pour la sécurité des créances.

Dans cet ordre d'idées, le Gouvernement de Son Altesse a préparé un projet de Décret, dont j'ai l'honneur de vous adresser ci-joint trois exemplaires, en vous priant de vouloir bien le soumettre à l'approbation de votre Gouvernement.

Dans cette combinaison, le Budget des Dépenses des Chemins de Fer pourra, avec le consentement préalable de la Caisse de la Dette, être majoré, le cas échéant jusqu'à concurrence de 55 pour cent des recettes brutes de cette Administration.

La Caisse de la Dette, consultée sur cette proposition, a émis un avis favorable, tout en faisant remarquer que le budget des dépenses d'exploitation, d'entretien, et d'amélioration des chemins de fer devra être établi de manière à ce que les recettes nettes de cette Administration, augmentées des autres affectations de la Dette Priviligée, suffisent en premier lieu aux charges résultant de la dite dette et

de l'annuité destinée au remboursement des avances consenties par la Caisse de la Dette.

Le Gouvernement de Son Altesse ne voit aucune difficulté à accepter cette condition; et il espère, Milord, que le Gouvernement de Sa Majesté n'hésitera pas à témoigner une nouvelle fois du bienveillant intérêt qu'il porte à la prospérité de l'Égypte, si intimement liée à l'amélioration de son réseau ferré, en donnant son adhésion à la promulgation du Décret.

Je vous serai reconnaissant, Milord, de me prêter votre obligeant concours pour obtenir du Gouvernement de Sa Majesté, aussitôt que possible, son assentiment, et je saisis, &c.

(Signé) BOUTROS GHALI.

Inclosure 2 in No. 42.

Decree.

NOUS, Khédive d'Égypte,

Sur la proposition de notre Conseil des Ministres et avec l'assentiment des Puissances Signataires de la Convention de Londres du 17 Mars, 1885,

Décrétons :

Article 1^{er}. Le budget des dépenses des chemin de fer, fixé à 45 pour cent de leurs recettes brutes, par l'Article 18 du Décret du 27 Juillet, 1885, pourra exceptionnellement, sur la demande du Gouvernement, et avec le consentement préalable de la Commission de la Dette, être majoré, sans toutefois que les crédits ouverts puissent excéder le 55 pour cent des recettes brutes.

Art. 2. Notre Ministre des Finances est chargé de l'exécution du présent Décret.

No. 43.

Admiralty to Foreign Office.—(Received April 10.)

Sir,

Admiralty, April 9, 1902.

WITH reference to Admiralty letter of the 8th February last, I am commanded by my Lords Commissioners of the Admiralty to request you will move the Marquess of Lansdowne to be good enough to cause the French Government to be informed that His Majesty's ship "Thistle," under the command of Lieutenant and Commander E. S. Houseman, will take the place of His Majesty's ship "Buzzard" on the Newfoundland Fisheries, the latter vessel having been ordered home to pay off.

I am, &c.

(Signed) EVAN MACGREGOR.

No. 44.

The Earl of Cromer to the Marquess of Lansdowne.—(Received April 11.)

(No. 42.)

(Telegraphic.) P.

Cairo, April 11, 1902.

HAVING taken the opinion of the legal and executive authorities here, I have authorized the seizure of some important papers belonging to the Young Turk party. These papers are now in my possession.

I have taken this action in consequence of information which has reached me, to the effect that the Khedive was endeavouring to get possession of these documents with a view, it is believed, partly to destroy those by which he is himself compromised, and partly in order to gain the favour of the Sultan by forwarding to Constantinople the remainder of the correspondence. This latter step would have involved the adoption of very severe measures against a large number of persons in different parts of the Ottoman Empire.

The police authorities stated most positively that, as the people compromised

No. 43.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 64.)

My Lord,

Foreign Office, April 10, 1902.

I HAVE received your Lordship's despatch No. 44 of the 28th ultimo, forwarding a Khedivial Decree which it is proposed to issue for the purpose of authorizing an expenditure on the working expenses of the Egyptian Railway Administration of an annual sum amounting to 55 per cent. of the gross receipts, instead of 45 per cent., which is the limit of annual expenditure fixed by the terms of Article 18 of the Khedivial Decree of the 27th July, 1885.

I authorize your Lordship to signify the concurrence of His Majesty's Government in the proposed Decree.

I am, &c.

(Signed) LANSDOWNE.

were quite desperate, the Khedive's life would be in serious danger should he obtain possession of the papers. I was not prepared, in view of this declaration, to take the responsibility of inaction.

I trust that my proceedings will meet with your Lordship's approval. I have repeated this telegram to His Majesty's Ambassador at Constantinople.

No. 45.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 32.)

(Telegraphic.) P.

Foreign Office, April 11, 1902.

I HAVE received your telegram No. 42 of to-day's date relative to the seizure of certain papers belonging to members of the "Jeune Turquie" party. Your action was, I feel sure, necessary in the public interest, and has my approval.

I think it better not to trouble you with questions for the present, but as we may receive protests, you should be prepared to give us full information as to the advice on which you acted and as to the agency which you employed.

No. 46.

The Marquess of Lansdowne to Sir N. O'Connor.

(No. 127.)

Sir,

Foreign Office, April 16, 1902.

THE Turkish Ambassador informed me to-day that he had been instructed by the Turkish Government to call my attention to rumours which had reached them of an intended Italian expedition to Tripoli.

It was believed that an Italian squadron was likely to bombard certain military positions on the coast and to land troops. The Turkish Government desired our advice, and was anxious to know what amount of support they would receive from His Majesty's Government should such events occur.

I told Anthopoulos Pasha that, in my opinion, these rumours were quite unworthy of attention. Not only had we no confirmation of them, but I had been reading this morning an article which had been forwarded by our Ambassador at Rome from the "Tribuna," a paper which had a semi-official character, in which these reports were contradicted in the most decided language. I told his Excellency that he was quite at liberty to say that His Majesty's Government attached no credence to them.

The Ambassador expressed much relief, but begged me to look particularly at the statement recently made by Signor Prinetti, in which he had apparently said that the Italian Government had no immediate intention of sending an expedition to Tripoli. The word "immediate" was, he thought, very suggestive of ulterior designs.

I said that I had not noticed the expression quoted by his Excellency, and that I would refer to the speech in question.

I am, &c.

(Signed) LANSDOWNE.

No. 47.

Hanna Wahba to the Marquess of Lansdowne.—(Received April 17.)

(Télégraphique.) *En clair.*

Cairo, April 17, 1902.

JE prends liberté soumettre votre Seigneurie mes plaintes concernant acte arbitraire commis au préjudice ordre public. Jamais depuis occupation Anglaise rien de pareil n'eut lieu. Cet acte fut perpétré au su et avec approbation de Lord Cromer et du Ministère Égyptien. Commandant de Police envahit établissement, saisie légalement, enlève scellés du Tribunal, et emporter documents relatifs Association de mes clients et matériaux imprimerie. Il les porta Agence Britannique. Je sollicite enquête dans l'intérêt loi, liberté, justice, garantie des droits et de l'ordre général et privé.—HANNA WAHBA, Avocat, Caire, Boulevard Mohamed Aly, No. 126.

No. 48.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 35.)

(Telegraphic.) P.

Foreign Office, April 17, 1902.

WITH reference to your telegram No. 42 of the 11th instant.

A telegram has been received from an advocate, named Hanna Wahba, who gives his address as 126, Boulevard Mohamed Ali, in which protest is made against the seizure of documents relating to the association of his clients and printing materials which have been deposited in the British Agency by the Egyptian Commandant of Police.

I will send you a copy by bag to-morrow.

I propose to acknowledge the telegram and tell him that we will make inquiries.

No. 49.

The Earl of Cromer to the Marquess of Lansdowne.—(Received April 18.)

(No. 47. Confidential.)

(Telegraphic.) P.

Cairo, April 18, 1902.

WITH reference to your Lordship's telegram No. 35 of yesterday's date, I learn on inquiry that the man who has telegraphed to your Lordship, and whose correct name is Hanna Wahba, is an individual of the lowest character, and one of the worst types of the legal profession.

I venture to submit that, under these circumstances, it is unadvisable that his protest should receive any notice at your Lordship's hands.

I am sending to your Lordship by next mail a full report on the seizure of the papers in question.

No. 50.

The Earl of Cromer to the Marquess of Lansdowne.—(Received April 28.)

(No. 59. Confidential.)

My Lord,

Cairo, April 14, 1902.

I HAVE the honour to submit to your Lordship some further information and observations respecting the seizure of papers belonging to the "Young Turk" party, which formed the subject of my telegram No. 42 of the 11th instant.

The train of circumstances which has led up to the adoption of this measure is perhaps somewhat lengthy, but as, independently of its bearing on the question at issue, it is characteristic of certain phases of litigious proceedings in this country, I venture to draw your Lordship's attention to the main points of the case.

Early in 1899 a printing-office was opened in Cairo by two members of the Young Turk party, named Khoja Kadri and Saleh Gamal, for the purpose of publishing a newspaper, "El-Kanoun el-Essassi," in the interests of their propaganda. As compared with other organs of the same type, the tone of this paper was moderate. Shortly after its foundation, a certain Tonali Ali, who professed Young Turk principles, but was believed to be acting under the instructions of one Iskender Trad, a Syrian spy in the employ of the Sultan, put forward a claim to the printing-office, as having been purchased with the funds of the Young Turk Society "El-Ittehad," in whose name he demanded restitution of the property. After a law-suit which lasted for a year, judgment was given in favour of the original founders.

Meanwhile, Saleh Gamal, fearing an adverse judgment, had signed a fictitious bond to a Russian subject employed in the office, whereby the latter was recognized as a partner in the undertaking, he giving to Saleh, at the same time, a document establishing the fictitious nature of the agreement. The object of this proceeding was to be in a position to submit the case to the Mixed Courts, in the event of an unfavourable decision of the Native Tribunals.

At some moment during the procedure in these cases, a "saisie conservatoire" was made; and the Huissier affixed his seal to a desk which was said to contain a

number of documents highly compromising to many persons both in Turkey and abroad.

A short while after Khoja Kadri and Saleh Gamal had resumed possession of their printing-office, the Russian subject (a certain Tewfik Mahrami) abstracted from Saleh's pocket his own acknowledgment, and sold the original deed of partnership to a man named Bahari Riza. This latter brought an action against the original partners, and demanded, in order to satisfy his claims, the liquidation of the concern. The Native Court gave judgment in favour of Bahari Riza, with provisional execution, and named as Official Liquidator a former "Chef de Bureau" of the Khedive, one Youssef Izzet Pasha. Saleh Gamal appealed against this decision. Meanwhile, the Official Liquidator had taken possession of the plant, &c. There only remained the desk containing the compromising documents. This was protected by the seal of the Court, as I have already described. The date for the hearing of the appeal having been fixed for the 16th of this month, it would seem that the Liquidator, or those in whose interest he acted, determined to get possession of these papers. He accordingly applied for, and obtained, an order of the Court for the removal of the seals. This measure greatly alarmed the Young Turks. They, therefore, hastily associated with themselves a French subject, named Guimbard, who went to the office with a dragoman of his Consulate, and, as the Huissier of the Court was about to remove the seals, declared himself a partner and demanded to withdraw certain papers, which were his private property. The Huissier took note of the declaration, and suspended further proceedings.

Two days afterwards the Young Turks learned, as I am informed, that Guimbard had been induced to renounce his claim, and that the liquidation would consequently go forward. They thus found themselves beaten on all points, and were hopeless of securing the papers, save by desperate means.

I should not omit to mention that my attention was first drawn to these papers at the commencement of the first law suit in 1899. A member of the Yeghen branch of the Khedivial Family, usually residing at Constantinople, called on me and stated that it was feared that, owing to the machinations of Iskender Trad, a number of most important documents were about to come into the Sultan's possession, a circumstance which would involve the ruin of many Turkish families. I sent the informant to the Procureur-Général.

This narrative—for the length of which I beg to again express my regret—brings the matter to the date of the 10th instant, on which I intervened.

Reports had, for some while past, reached me from several quarters to the effect that the members of the Young Turk party, both in Egypt and elsewhere, were watching with painful interest the issue of the struggle which, practically, centred around these documents. On the other hand, I could not fail to be impressed with the sentiment of profound mistrust with which these men are animated as regards His Highness the Khedive, in view of his relations with Constantinople. Much must, of course, be allowed for the exaggeration to which prejudice, ignorance, and excitement give rise. But the fact remains that it is impossible to eradicate from the mind of a large portion of the Egyptian people the belief that His Highness is constantly endeavouring to conciliate the good-will of the Sultan by handing over to His Majesty, by one means or another, such persons as are considered—rightly or wrongly—to be concerned in the propagation of ideas and principles opposed to those now entertained at Yildiz Kiosk. I need not, on this occasion, trouble your Lordship with examples of the proceedings which have given rise to these reports; I need only state the fact that, unfortunately, the reports are very prevalent and generally credited.

A further circumstance has recently tended to give more consistency to the popular view. The Khedive has always possessed a tendency to adopt, on a smaller scale, the personal espionage system which is so well known at Constantinople. Hitherto, the chief agents of this system have been subordinate officers of the Palace, ex-officers of the police, and men of a similar type. These, though capable of working a good deal of mischief, were comparatively harmless. At present, however, His Highness is greatly under the influence of a certain Ahmed Bey Ariss, whom he has recently taken into his service. This man is of a different and more formidable character; he was at one time Chief of Police at Beyrout, and in that office incurred the general execration of the inhabitants, both Moslem and Christian, by his unscrupulous acts of tyranny and intrigue. He was eventually removed from his post and exiled. He came to Egypt last year, and first came into notice in connection with the Leon Fehmy incident, the facts of which will be within your Lordship's recollection. Since then, Ariss has firmly established himself in the Khedive's confidence, and he is

now the leading spirit in all matters regarding persons who may have incurred the displeasure or lie under the suspicion of His Highness or of the Sultan. By his energy, his total want of scruple, and his skill in never placing himself within the reach of the law, he has succeeded in establishing almost a terror amongst the people, more especially amongst those connected with the Young Turk party, against whom his efforts are mainly directed. It may, therefore, be readily understood that when it was reported that Ahmed Bey Ariss was commissioned, by some means or other, to obtain possession of the disputed papers, the alarm amongst the Young Turk party reached a climax.

On the 9th instant Mr. Mansfield, the Head of the Cairo City Police, called on me, and stated that he was very uneasy as regards the question of these documents. Information which he believed to be trustworthy had reached him to the effect that, whilst the agents of the Khedive would hesitate at nothing to obtain the papers, the members of the Young Turk party were desperate, and should they see themselves and their friends—as they considered—irretrievably ruined, they would not improbably make an attack on the Khedive's person.

At the same time as I received this communication from Mr. Mansfield I had received verbal warnings through some of my staff, and also telegrams, both indicating the existence of a violent frame of mind on the part of the Young Turks, and imploring me to intervene, lest worse should happen.

Under these circumstances, I lost no time in consulting the legal and executive advisers of the Egyptian Government, and inviting their opinions as to the best course to adopt.

After carefully weighing the facts of the case, it was decided that the Ministry of the Interior should, as an administrative act in the public interest, take possession of the papers and hold them in safe keeping. On the morning of the 11th instant, therefore, Mr. Mansfield went to the printing-office, opened the seals of the desk, securely fastened up and resealed the packet of papers, and brought them to His Majesty's Agency, where they still remain unopened, under lock and key.

My motives for taking this measure will, I venture to think, be clear to your Lordship. I was in presence of a situation which left me no choice between the adoption of a course which, although unusual, is not without many admitted precedents in countries where the law is administered under the French Code, or else a policy of total inaction, of which, after the information I had received, I was not prepared to assume the responsibility.

Whilst fully recognizing that there might very probably be no real foundation for the threats of proposed violence to be employed against the Khedive, I could not disguise to myself the fact that the existence of language of this nature, coupled with the over-excited state of a by no means contemptible section of the population—and this latter consideration was beyond doubt—had brought about a condition of affairs which imperatively demanded my serious attention. Had I persistently neglected these warnings and allowed the matter to take its usual course, it is very possible that all would have gone well; but, in view of the unscrupulous agency employed on the one hand, the fierce opposition expressed on the other, and the serious view of the matter taken by so experienced an officer as Mr. Mansfield, I did not hesitate to regard the risk as one too grave to be incurred by His Majesty's Representative.

I therefore authorized the seizure of the papers in the manner described above, and I trust that, on consideration of all the circumstances of the case, my action may meet with your Lordship's approval.

I should add that my reason for depositing the papers for safe keeping in His Majesty's Agency was this: had they been placed in the Egyptian Ministry of the Interior, or elsewhere, under Egyptian control, His Highness would, without doubt, have demanded to see them. It was obviously undesirable that he should see them, as the whole reason for the step would thus have been frustrated; but, on the other hand, a refusal to produce them might have embroiled the Prime Minister with the Khedive, a contingency which could not be risked. The British Agency, therefore, appeared, on all grounds, the most suitable place.

Some sensation has naturally been excited in Cairo by this episode, more especially in consequence of the length of time during which the various law-suits, connected with the printing-office, have been proceeding. The hostile French press has, as usual, placed the most unfriendly interpretation possible on the action of the authorities; but I understand that this view is not shared at the French Agency. The Arabic press are divided in their opinions, but the prevailing impression locally is

that a blow has been dealt to the intrigues of Ahmed Bey Ariss and his followers, which it is hoped may cause them, in some degree, to modify their present attitude.

I have, &c.
(Signed) CROMER.

No. 51.

The Earl of Cromer to the Marquess of Lansdowne.—(Received May 5.)

(No. 64.)

My Lord,

Cairo, April 25, 1902.

I HAVE the honour to transmit to your Lordship herewith copy of a Memorandum, prepared at my request, by Viscount Errington, Attaché at His Majesty's Agency in Egypt, being the result of some observations made by him on the occasion of a short cruise undertaken by him on the invitation of Commander Gaunt, R.N., and with my consent, respecting the lighthouses and other points of interest connected with the Red Sea.

Commander Gaunt, of His Majesty's ship "Scout," was at that time patrolling the southern waters of the Red Sea with a view to checking the Slave Trade in those parts. He will, without doubt, report to the Admiral on the subject of his recent cruise.

I have, &c.
(Signed) CROMER.

Inclosure in No. 51.

Memorandum by Viscount Errington respecting the Red Sea.

Red Sea Lights.

THE northern waters of the Red Sea are generally considered as offering little difficulty to navigation, the lighthouses at points of danger being very efficiently controlled by the Egyptian Lighthouse Administration.

The Ottoman Government is now taking the long-required measures for rendering the southern portion of the Red Sea more practicable to navigation by building lighthouses at—

- (a.) Jebel Teir.
- (b.) Abou Ail, a prominent rock lying just north of Jebel Zukar.
- (c.) Central Peak Island, in the Zobeir group.
- (d.) Mokha.

The works are being carried out by a French Company of contractors, whose sole means of furnishing these various points with supplies, stores, and materials appears to be by the constant employment of their steam-ship "l'Afrique": this fact, combined with the various local difficulties to be contended with, renders progress slow.

At *Jebel Teir*, fully nine months will be required to complete the light, as the foundations have not as yet been begun.

Abou Ail: one of the most necessary of all the proposed lights, and, perhaps, the most difficult to build, will require from six to nine months to complete.

Central Peak Island, of the Zobeir group: Here the works are more advanced than at any of the other points. All the material necessary for the light has been landed, and unless work is hindered by the strong winds which at times prevail, its completion should not require more than two or three months.

Mokha will be the last lighthouse to be built, being less urgently required for navigation than the others under construction. Much masonry work will be necessary in building the Mokha light; consequently it is estimated that it will not be in working order for fully a year.

When these various lighthouses are finished, the navigation of the southern waters of the Red Sea will be greatly facilitated.

The regular supply of stores and fresh water to the lighthouse keepers should be effectually insured.

Sponge and Pearl Fisheries

are not carried on as extensively as might be expected: both these industries are capable of being greatly developed.

Slavery.

In the northern waters of the Red Sea the traffic in slaves may be said to be practically non-existent.

In the south, slaves are occasionally run from the neighbourhood of Rahieta on the Erythraean coast to some of the little frequented parts of the Arabian coast between Hodeida and Mokha.

The few traders that still exist endeavour to land their slaves in Arabia in time for the Bairam sales at Mecca, when the best prices can be obtained.

Arms Traffic.

This practically does not exist north of Perim, but to the south of that port, and more especially in the Gulf of Aden, the traffic in arms is said to be very active at present.

Coaling-stations.

The most important coaling-stations in the Red Sea are under British control.

The attempts made by the French Government to establish a coaling depôt on the Arabian coast opposite Perim have been frustrated by the Turks.

The rumoured establishment of a Red Sea coaling-station by the German Government has amounted, according to all accounts, to their depositing a small quantity of coal on one of the islands in the Farsan group, leaving a notice on the island to the effect that the coal is the property of the German Government.

Navigation in those parts is dangerous owing to the coral reefs, and the waters have not as yet been thoroughly surveyed, so that the establishment of a coaling-station on a large scale at this point seems improbable.

Cairo, April 24, 1902.

No. 52.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 86.)

My Lord,

Foreign Office, May 8, 1902.

I HAVE received your Lordship's despatch No. 64 of the 25th ultimo, forwarding a Memorandum of information obtained by Viscount Errington during a recent cruise in the Red Sea.

I request that you will convey my thanks to Lord Errington for his Memorandum, and inform him that it has been read with interest.

I am, &c.
(Signed) LANSDOWNE.

No. 53.

The Earl of Cromer to the Marquess of Lansdowne.—(Received May 11.)

(No. 53.)

(Telegraphic.) P.

Cairo, May 11, 1902.

MY telegrams to Sir Nicholas O'Connor, respecting which your Lordship inquires in your telegram No. 38 of yesterday, were to the effect that some disturbances had taken place in Thasos, and that the Khedive had received from the Sultan an intimation that the Turkish authorities would take over the administration of the island.

I had at first thought of suggesting that a British man-of-war should be sent to

Thasos, but, before putting this forward, I consulted the Ambassador on the subject. His Excellency was at first unfavourable to the idea, but, from a second telegram which I have received from him, I gather that he was rather inclined to change his views on the ground that the rights of the Khedive were being encroached upon by His Imperial Majesty.

In a telegram which I sent to His Excellency yesterday, I said that, as order was apparently now restored, it did not seem necessary, for the present, that we should take any action in the matter. I added that, unless the Khedive should put forward a demand for our assistance, my own inclination was in favour of leaving the matter in dispute to be dealt with by His Highness and the Sultan without our interference.

No. 54.

The Earl of Cromer to the Marquess of Lansdowne.—(Received May 12.)

(No. 54.)

(Telegraphic.) P.

Cairo, May 12, 1902.

DISTURBANCES at Thasos.

No British or Egyptian interest is involved in this question, which is entirely personal to the Khedive. I do not propose to broach the subject to His Highness, unless he himself initiates it and asks for assistance; it is by no means certain that he wishes us to interfere on his behalf.

There can be little doubt that the administration of the island has been very badly conducted for a long time past.

I have repeated this telegram to His Majesty's Ambassador at Constantinople.

No. 55.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received May 16.)

(No. 216.)

My Lord,

Constantinople, May 10, 1902.

WITH reference to my telegrams Nos. 54 and 55 of yesterday, I have the honour to transmit herewith to your Lordship copy of a despatch from Sir A. Biliotti reporting that the Kaimakam of Cavalla, with a force of gendarmes and police, has arrived in Thasos, and has taken over the administration of the island.

I have, &c.
(Signed) N. R. O'CONOR.

Inclosure in No. 55.

Consul-General Sir A. Biliotti to Sir N. O'Connor.

(No. 70.)

Sir,

Salonica, May 8, 1902.

WITH reference to my telegram of to-day's date, I have the honour to report that the following is the explanation of the events in the Island of Thasos given to me by the Vali:—

Mehmed Ali Pasha, Viceroy of Egypt, having founded several charitable institutions at Cavalla, his birthplace, had granted to him by the then Sultan revenues accruing from certain vatifs and other sources, such as the tithe, the sheep-tax, and part of the mines and forests, &c. The remaining part of the latter—the customs, the indirect taxation, &c.—remained payable to the Turkish Government, and have always been administered by officials from Constantinople, while the appeal from the Thasos Courts of Justice lies at Salonica.

These revenues were assigned to the Khedive in person, the Government of Egypt having no right over the island. Its administration, however, since no importance attaches to it, has hitherto been left to the Evkal Mudiri, who was appointed by the Viceroy of Egypt to collect and administer his revenues, without any special Governor being appointed by the Turkish Government. The gendarmes also were nominees of the Evkal Mudiri.

Owing to the recent incident (reported from Cavalla in my despatch No. 54 of [1527] 2 I

the 16th April), when the population demonstrated against the raising of the sheep-tax from 10 to 260 paras ($6\frac{1}{2}$ piastres), and the Mudir, without hearing them, ordered the troops to fire on the demonstrators, killing three and wounding five or six, and the consequent petition to the Turkish Government, the Vali of Salonica suggested that the island should be administered like the rest of the districts of the Empire, and was authorized to send an acting Kaimakam, whom I understand to be the Kaimakam of Cavalla, with ten gendarmes and four policemen under a Lieutenant. They arrived at Thasos yesterday morning, when they were warmly received by the inhabitants, the Evkaf Mudiri offering them hospitality in his own house.

Hassan Fehmi Pasha could not state for certain whether there are any Egyptian troops in the island.

In consequence of the action of the Turkish Government the mixed administration of the island has now temporarily ceased, the Evkaf Mudiri being restricted to the discharge merely of his duties as collector and administrator of the moneys due to the Khedive.

One of the torpedo-boats stationed at Salonica left here yesterday. The Vali said it was gone only on coastguard duty, but I have reason to suppose that its departure was not entirely unconnected with the events above related.

I have, &c.
(Signed) A. BILIOTTI.

P.S.—In answer to my request, Mr. Vice-Consul Pecchioli has just informed me by telegraph that the Kaimakam of Cavalla, Emin Pasha, left yesterday for Thasos, accompanied by one Juge d'Instruction and one police inspector from Salonica, the Procureur from Drama, two policemen and ten gendarmes, under a Lieutenant.

A. B.

No. 56.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received May 19.)

(No. 222.)

My Lord,

Constantinople, May 14, 1902.

WITH reference to my despatch No. 216 of the 10th instant, I have the honour to transmit herewith to your Lordship copies of a further despatch from His Majesty's Consul-General at Salonica reporting on the situation in Thasos.

A copy of this despatch, as well as of Sir A. Biliotti's No. 70, have been forwarded to His Majesty's Agent at Cairo.

I have, &c.
(Signed) N. R. O'CONOR.

Inclosure 1 in No. 56.

Consul-General Sir A. Biliotti to Sir N. O'Connor.

(No. 71.)

Sir,

Salonica, May 10, 1902.

I HAVE the honour to transmit, for your information, two copies of two despatches from Mr. Vice-Consul Pecchioli reporting on the events in Thasos.

I have to add that a President of Tribunal, a Procureur, and a Notary, all three officers of the local Courts, have been appointed as local permanent officials in the island, and that ten gendarmes are rumoured to have been sent in addition to those already reported.

I have, &c.
(Signed) ALFRED BILIOTTI.

Inclosure 2 in No. 56.

Vice-Consul Pecchioli to Consul-General Sir A. Biliotti.

(No. 12.)

M. le Consul-Général,

Cavalla, le 6 Mai, 1902.

LES Délégués des Thassiotes qui furent choisis par les habitants de l'île, pour exposer leurs plaintes contre la conduite barbare du Gouverneur, se trouvent encore à Cavalla. Ils se présentèrent à notre Caïmacan, Emin Pacha, ainsi qu'au représentant de l'Évêque Grec, et à ce Vice-Consulat; en outre ils télégraphièrent au Patriarcat de Constantinople et je crois même au Vice-Roi d'Égypte.

Ils attendent les résultats de leurs démarches et n'osent pas retourner à l'île, le Gouverneur leur ayant déclaré qu'il les ferait fusiller à peine rentrés.

J'ai appris encore par eux que l'assemblée des Thassiotes, qui a eu lieu en plein air près du village de Teologos, avait pour but de nommer une Commission qui aurait dû présenter au Vice-Roi d'Égypte une requête pour obtenir la réduction de plusieurs taxes, entre lesquelles celle des moutons.

Les habitants de l'île selon les on-dit auraient non seulement porté à la connaissance du Gouverneur le but de cette réunion, mais l'avaient même invité à assister personnellement.

Le Gouverneur se rendit sur place pour reprocher aux chefs du village d'avoir permis cette assemblée et il repartit immédiatement après en démontrant une vive colère.

Ce fut lui qui rencontrait un vieux paysan qui se rendait à cette espèce de réunion, l'attaqua avec sa canne en ne lui faisant pas grâce de sa vie.

Les Thassiotes trouvèrent auprès du cadavre un bout de la canne du dit Gouverneur, ce qu'ils conservent comme preuve de ce fait.

L'autre Thassiot fut tué par un coup de fusil. Les autres trois ou quatre étaient blessés par des armes à feu des soldats du Bey, tous aujourd'hui en voie de guérison.

Selon les nouvelles parvenues de Thassos ces faits seraient certifiés, mais il paraît que le Gouverneur prouve comme arme de défense que ce furent les habitants de l'île qui provoquèrent les premiers les gardes du Gouvernement. Depuis ces faits-ci jusqu'à aujourd'hui le Gouverneur n'a pas manqué de punir, d'emprisonner, et d'exiler par pur caprice en gardant l'île sous un véritable règne de terreur. Le Vice-Consul Anglais chez lequel les députés de Thassos se rendirent pour demander assistance, les conseilla de rester à Cavalla, jusqu'à ce que Son Altesse le Vice-Roi n'eût établi la tranquillité et l'ordre dans l'île avec les moyens qu'il aurait cru opportuns et ajouta que leur protecteur naturel ne devait et pouvait être que le Patriarche, la mission duquel est de protéger les Orthodoxes contre n'importe quelle oppression.

J'eus même un entretien avec l'Évêque Grec de Cavalla, qui, bien que n'ayant la juridiction sur Thassos, cette île dépendant religieusement de l'Évêque de Maronia, me dit qu'il partageait aussi mon opinion et officieusement comme moi les avait conseillés de demander l'appui du Patriarche.

Il me semblait que les démarches faites auprès du Gouvernement de la Sublime Porte pouvaient froisser les susceptibilités du Vice-Roi d'Égypte quoique étant en vertu de vieux Traités propriétaire seulement des rentes de l'île, l'a néanmoins gouverné jusqu'à aujourd'hui.

(Signé) S. PECCHIOLI.

Inclosure 3 in No. 56.

Vice-Consul Pecchioli to Consul-General Sir A. Biliotti.

(No. 13.)

M. le Consul,

Cavalla, le 8 Mai, 1902.

FAISANT suite à mon rapport d'hier je me fais un devoir de porter à votre connaissance qu'un acte nouveau et imprévu a eu lieu à Thassos.

Notre Gouverneur, Emin Pacha, appelé télégraphiquement par son Excellence le Vali à Salonique, est retourné à Cavalla muni d'un Firman Impérial qui le nomme Gouverneur *ad interim* de l'île de Thassos.

Il est arrivé accompagné d'une dizaine de gendarmes de Salonique et d'un fonctionnaire de ce vilayet qu'on dit est le Procureur du Tribunal de Première Instance de cette ville.

Le Gouverneur d'Égypte avec sa suite et ses employés des Égyptiens, qui se trouvait justement à Cavalla, arrivé par le bateau Khédivial au service de cette île, s'est embarqué à 3 heures de l'après-midi en faisant retour dans sa résidence de Simena, capitale de Thassos. J'ignore si entre lui et le nouveau Gouverneur a eu lieu quelque malentendu.

Ce matin donc à l'aube, Emin Pacha, Caïmacan de Cavalla et aujourd'hui Caïmacan et Gouverneur de Thassos, ensemble avec dix ou douze gardes, le fonctionnaire de Salonique et le Procureur du Tribunal de Drama, personnages qui, dit-on, soient chargés de faire l'enquête sur les tumultes de Thassos, s'est embarqué à Cavalla se dirigeant vers Thassos avec la mission de prendre possession conformément au Firman, de l'administration de l'île, au nom du Sultan Abdul Hamid. L'ancien Gouverneur ou un autre fonctionnaire Égyptien ne pourront rester à Thassos que comme Administrateur du Vacauf du Vice-Roi d'Égypte, c'est-à-dire qu'ils auront à administrer les rentes et maintenir les œuvres pieuses fondées à Cavalla par Memed Ali.

Hier au soir j'ai eu un entretien avec le Caïmacan, Emin Pacha, et par celui-ci j'ai pu apprendre qu'il n'est guère sûr d'être bien reçu par l'ancien Gouverneur, qui pourrait (opposer) une fin de non recevoir s'il n'a pas reçu des ordres de son Gouvernement. On attend ce soir le retour du bateau de Thassos qui a conduit à l'île Emin Pacha et demain, avant de terminer ce rapport, je vous informerai des événements qui peuvent avoir eu lieu.

Jeudi matin.—La mouche est rentrée en effet hier au soir et j'ai appris que l'ancien Gouverneur, en faisant bonne mine à mauvais jeu, a reçu parfaitement le nouveau Gouverneur Ottoman. Ainsi nous pouvons dire *consummatum est*.

Désormais l'île de Thassos est passé à l'Administration Ottomane.

On dit que des soldats Turcs de Drama sont attendus ces jours-ci pour remplacer les gardes Albanaises.

Agréer, &c.
(Signé) S. PECCHIOLI.

No. 57.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received May 23.)

(No. 226.)

My Lord,

Constantinople, May 19, 1902.

WITH reference to my telegram No. 57 of the 13th instant, I have the honour to transmit herewith to your Lordship copy of a despatch from the British Vice-Consul at Cavalla, reporting further on recent events at Thassos.

I have, &c.
(Signed) N. R. O'CONOR.

Inclosure 1 in No. 57.

Vice-Consul Pecchioli to Consul-General Sir A. Biliotti.

(No. 16.)

M. le Consul-Général,

Cavalla, le 11 Mai, 1902.

J'AI expédié hier par moyen d'un exprès, rapport No. 15 et lettre particulière.

Je résume les nouvelles données en style télégraphique puisque je dois courir par-ci par-là pour surveiller le port et prendre toutes les informations de l'île.

Gouverneur Ottoman, Emin Pacha, n'habite pas chez Rifaat Bey, ex-Gouverneur Égyptien. Il réside dans la Douane Ottomane. Emin Pacha fit lecture du Firman Impérial par lequel "Sa Majesté le Sultan déclare, en présence des troubles de l'île, de prendre la direction publique et administration de Thassos, qui lui appartient. Seulement les revenus de l'île par concession du Sultan Mahmoud furent donnés à Mehmet Ali et continueront à appartenir à la famille pour le Vacauf de Thassos. Ces revenus furent affectés à l'entretien de l'Imaret de Cavalla, fondé par Mehmet Ali.

"Il demande soumission et fidélité et il promet le respect des anciens privilèges—diminution de taxes, bonheur et prospérité aux habitants."

Cette lecture provoqua des cris de "Padisha chok yash." Après, le *Te Drum* à l'Eglise Grecque. Les Thassiens veulent faire une illumination mais Emin Pacha s'y oppose.

Les Délégués de l'île de Thassos à Cavalla sont rentrés dans leurs foyers à

Thassos après l'invitation d'Emin Pacha et promesse qu'ils ne seront pas molestés par le Gouverneur déchu.

Emin Pacha aurait, dit-on, fait dresser les armes aux Gardes Albanais de Rifaat Bey.

Emin Pacha attendait encore une dizaine de gendarmes et quelques hommes de Police de Salonique qui, en effet, sont arrivés cette nuit et sont partis pour Thassos.

Un bateau du Mahsoussé est arrivé ici cette nuit des Dardanelles pour embarquer 150 soldats Ottomans qu'on attend de moment en moment de Nevrocop ou Drama.

A ce moment-ci j'apprends de bonne source que Rifaat Bey n'a pas laissé désarmer les gardes puisqu'il y a entre elles des soldats réguliers Égyptiens sous les ordres de Lord Cromer. De manière qu'il y a à Thassos des soldats Ottomans, trente gendarmes, et des soldats Égyptiens armés sous les ordres de Rifaat Bey. Cela prouve la nécessité de faire venir les soldats Ottomans qu'Emin Pacha attend avec impatience.

Le Kaimacan a voulu faire un interrogatoire, mais Rifaat Bey s'est refusé de le subir.

En un mot. La situation dans l'île, malgré les grandes paroles du Gouverneur, Emin Pacha, n'est nullement définie. Rifaat Bey ne s'est pas opposé matériellement, mais n'aurait pas reconnu du tout le nouvel état de choses qu'Emin Pacha veut imposer.

Si votre Excellence croit nécessaire, comme je le crois, moi, que j'envoie à Thassos une personne de ma confiance pour être exactement renseigné de ce qui se passe télégraphiez-moi. Reçu livre Chancellerie.

Agréer, &c.
(Signé) S. PECCHIOLI.

Inclosure 2 in No. 57.

Vice-Consul Pecchioli to Consul-General Sir A. Biliotti.

(No. 15.)

(Extrait.)

Le 10 Mai, 1902.

POUR les archives on dit que l'ex-Gouverneur ne les aurait pas remis à Emin Pacha, mais il aurait permis que le nouveau Gouverneur y mit les sceaux.

Le service de la police serait fait par les gendarmes qu'Emin Pacha amena avec lui de Salonique auxquels, il paraît, qu'il voudrait ajouter encore d'autres, demandés à Salonique. En cas de besoin il se proposerait de faire venir de Drama une compagnie d'infanterie.

No. 58.

The Earl of Cromer to the Marquess of Lansdowne.—(Received June 2.)

(No. 75. Confidential.)

My Lord,

Cairo, May 23, 1902.

I HAVE the honour to inclose—

1. A newspaper report of some proceedings at a meeting held at Alexandria on the occasion of the 100th anniversary of Mehemet Ali's arrival in Egypt;

2. A translation from Arabic of the report of a man who was present at the meeting.

I beg to draw your Lordship's special attention to these papers.

Mustapha Bey Kamil is the ordinary type of semi-Europeanized demagogue. He is a man of the worst character, and, on his own merits, would exercise but little influence.

He derives his importance wholly from the fact that he is encouraged by the Khedive, that he is constantly at the Palace, and that his newspaper, "The Lewa," which is violently Pan-Islamic and Anglophobe, is notoriously supported by funds which the Khedive provides.

During the last few years a good deal has been said of the changed attitude of the Khedive, of his friendliness to England, &c.

[1527]

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It is as well to know his real sentiments: they are those stated by Mustapha Kamil; only I should add that the real motive is not enlightened patriotism on behalf of Egyptian independence, but a strong desire to regain the personal power which his progenitors enjoyed and abused.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 55.

Extract from "La Réforme" of May 22, 1902.

NOTRE confrère, Moustafa Bey Kamil, a fait hier soir devant un public qu'on peut évaluer à environ 3,000 personnes une Conférence sur l'œuvre de Méhémet Aly. Il a montré comment cet homme extraordinaire a su deviner ce qu'il y avait dans ce peuple d'Égypte des trésors d'intelligence, de capacité, et de bravoure. C'est en faisant appel à ces qualités natives qui sommeillaient que Méhémet Aly est arrivé à donner à l'Égypte sa vitalité puissante et sa grandeur incomparable.

L'orateur passa en revue la destruction des Mamluks, l'unification de l'Égypte, trop divisée sous leur règne néfaste, la formation de l'armée et de la marine, la fondation des fabriques et des usines dans un grand nombre de cités et de villes; il parla longuement des écoles, de l'agriculture, de l'amélioration de l'irrigation et de tout le progrès accompli sous le Gouvernement de Mohamed Aly.

Moustafa Bey Kamil montra, avec des preuves, que les principes essentiels dont s'inspirait Mohamed Ali dans son Gouvernement étaient:—

- 1^{er}. Sauvegarder l'indépendance de l'Égypte;
2. Instruire l'Égyptien, de lui apprendre tout ce qui peut le rendre maître chez lui;
3. Ne pas tomber sous le poids des dettes.

Il développa ces principes avec une éloquence très chaleureuse. Il produisit sur le public une impression très grande quand il lui rappela que les Anglais, venus au commencement du dernier siècle pour asservir l'Égypte, ont été obligés alors d'évacuer le pays et de quitter Alexandrie, le 14 Septembre, 1807. Il fit ressortir cette coïncidence étonnante qui a voulu que les Anglais aient occupé plus tard la capitale de l'Égypte le jour anniversaire de l'évacuation précédente: le 14 Septembre, 1882.

L'orateur indiqua ensuite à ses compatriotes avec quelle puissance Méhémet Aly a pu accomplir son œuvre, avoir une armée de 250,000 soldats, une marine de 16,000 marins, tant de fabriques, d'écoles, de guerres, et tant de batailles sans avoir recours à des emprunts.

Moustafa Bey Kamil trace ensuite un tableau comparatif saisissant de ce qu'était le Japon du temps de la grandeur égyptienne, et de ce qu'est l'Égypte aujourd'hui relativement au Japon.

Il dit que l'Égypte ne peut se relever que par un attachement inébranlable au Trône Khédival, fait pour ainsi dire par le peuple Égyptien lui-même; par sa confiance en elle-même, sa solidarité et son éducation patriotique.

Il flétrit en passant Arabi, son œuvre néfaste, et le donna comme exemple de la trahison la plus perfide.

Moustafa Bey Kamil traita enfin la question Britannique et avec une conviction et une franchise qui lui font honneur; il condamna son action dans le pays aux différents points de vue de la sécurité, de l'instruction, de l'influence égyptienne dans le Gouvernement, et du renvoi en bloc d'un grand nombre d'officiers Égyptiens après la conduite courageuse qu'ils ont montré dans la campagne du Soudan. Il insista sur la nécessité d'une organisation solide et stable, de la création d'un Parlement Égyptien pouvant contrôler les actes du Gouvernement, indiquer la bonne voie aux Ministres, et donner à l'Égyptien ses droits d'homme et de concitoyen.

Il réclama hautement l'accomplissement des promesses Britanniques et dit que les Anglais peuvent détester un patriote Égyptien; ils doivent néanmoins l'estimer, car nul homme civilisé ne peut aimer la trahison et haïr le patriotisme.

L'orateur termina son discours en montrant l'Islam comme la religion libérale par excellence, s'alliant parfaitement avec la civilisation moderne.

Il rappela les services signalés rendus au pays par les Sèves, les De Cerisy, les Varyn, les Seguerra, les Clot Bey, les Benson Bey, les Hossards, les Jumel, rendit un

hommage public à leur mémoire, ainsi qu'à celle de tous les collaborateurs Européens de Mohamed Ali. Le public applaudit vivement ce passage.

Il remercia les Colonies Européennes de la part très généreuse qu'elles ont prise aux récents désastres des incendies et de l'affection qu'elles ont témoignée au peuple Égyptien. Il dit que cette noble conduite ne sera jamais oubliée et qu'elle resserrera les liens entre Européens et Égyptiens.

Il cita à la fin ce mot célèbre de Napoléon: "Les grands noms ne se font qu'en Orient," et dit que l'Orient reste toujours le berceau des grands hommes, et s'il en a été privé pendant longtemps ce n'est que parce que le désespoir a envahi tous les cœurs et pris la place de l'activité et de la confiance.

Inclosure 2 in No. 58.

Extract from Speech of Moustafa Bey Kamil on May 21, 1902, at Alexandria.

(Translation.)

THE orator commenced his speech by referring to the good works of Mohammed Ali, since whose arrival in Egypt a century had now elapsed. He spoke of the patriotism shown by the Egyptians at that time, and regretted the absence of that quality at the present day.

He reminded his hearers that on the 14th September, 1807, the English had occupied a part of Egypt, but had been obliged to evacuate the country owing to the patriotic feelings and the love of independence evinced by the inhabitants.

"On the 14th September, 1882," he continued, "the English again occupied this country, and they are still in occupation of it. What a difference there is between the energy and the patriotism of the men of that day and the want of resolution which characterizes the present time!"

"When they came into occupation of the country the English promised that they would ultimately evacuate it, and declared their intention of insuring security and order under the authority of the Khedive. Twenty years have elapsed since that time, and if we remind them of their promise they say that this promise was nothing but a 'political trick.'"

The speaker then proceeded to explain the nature of patriotism, urging the people of Egypt to teach their children from their infancy to love independence.

"Most Egyptians," he said, "if asked as to the state of their country, reply that the nation will never succeed. Their children hear these words, and grow up without any idea of independence and without any feelings of patriotism."

"The English say that they came to establish public security. Look at the Report of the Procureur-Général, from which it is clear that crimes, délits, and contraventions are increasing. Could any man of common sense believe that a Power like England could not establish security and prevent crime if she wished? Of course she could; but it would not be to her interest to do so, because she wishes to subdue this people."

"It is our duty to unite and ask for a Parliament which will be able to cause the fall of a Ministry, to remove the Ministry at its will, and at once. (Great applause.)"

"I ask you Egyptians, if England wished to change the laws of the country or 'walk on them,' could they do so?" (Cries of "They could;" "This is what is taking place.")

Finally, he said that the English liked the service offered by the traitors (i.e., the present Ministry), but they do not like the traitors themselves.

"We have here amongst us some who are with us and others who are against us."

No. 59.

The Earl of Cromer to the Marquess of Lansdowne.—(Received June 2.)

(No. 76.)

My Lord,

Cairo, May 25, 1902.

I HAVE the honour to transmit to your Lordship herewith a supplement to the "Official Journal" of yesterday,* containing (1) a Concession granted by the

* Not printed.

Egyptian Government to the National Bank of Egypt and Sir Ernest Cassel for the foundation of an agricultural bank; (2) the Statutes of the Association thus instituted, which is to be known as the "Agricultural Bank of Egypt;" (3) a Khedivial Decree approving the Statutes in question.

The object for which this bank has been created is to further extend the system of advancing small loans (in no case exceeding £ E. 300) to the Egyptian cultivators, at a moderate rate of interest—9 per cent. per annum—and with facilities as regards the periods of repayment.

As your Lordship is aware, this system has already been in existence for some years, having been carried out with marked success by the National Bank of Egypt. Latterly, however, as I have on more than one occasion pointed out in my Annual Report to your Lordship, it has become desirable to give a wider scope to this useful undertaking than was practicable with the funds which the National Bank was able to devote to this purpose.

I have, &c.
(Signed) CROMER.

No. 60.

Question asked in the House of Commons, June 3, 1902.

Mr. J. O'Kelly.—To ask the Under-Secretary for Foreign Affairs whether he would state what was the present international *status* of Egypt:

Whether it was a protected State in the British Empire or Province of the Turkish Empire; and

Whether His Majesty's Government intended to carry out the promise given to evacuate the country.

Answer.

Egypt is a tributary State of the Turkish Empire in British military occupation.

No. 61.

Consul Alvarez to the Marquess of Lansdowne.—(Received June 4.)

(No. 8.)

My Lord Marquess,

Benghazi, May 28, 1902.

HAVING just received intelligence from the British Consular Agent at Derna, that under orders from Taher Pasha, Governor of Benghazi, the Kaïmakam of Derna will shortly proceed to Defna on the Turco-Egyptian frontier, with an escort of 100 men, I have wired and reported this via Malta to the Earl of Cromer. The escort is, in my opinion, unduly large for the purpose of protecting the Kaïmakam's person, and in view of the interest recently shown by the Porte in the Bomba and Tobruk districts, I should not be surprised if the Turks did not think of occupying points in the direction of Egypt beyond those actually in their occupation. If that be not the case the garrison at some hitherto unspecified place will, doubtless, be strengthened. If Sollum is not already occupied by Egypt it ought to be.

I have, &c.
(Signed) JUSTIN ALVAREZ.

No. 62.

The Earl of Cromer to the Marquess of Lansdowne.—(Received June 9.)

(No. 79.)

My Lord,

Cairo, May 27, 1902.

WITH reference to my despatch No. 44 of the 28th March, and to your Lordship's reply No. 64 of the 10th April last, I have the honour to transmit herewith copy of a Khedivial Decree, published in the "Official Journal" of yesterday, enacting that the annual sum allowed to meet the working expenses of the Railway Administration may, should the necessity arise, be increased from 45 per cent. to 55 per cent. of the gross receipts.

I have, &c.
(Signed) CROMER.

Inclosure in No. 62.

Extract from the Egyptian "Journal Officiel" of May 26, 1902.

NOUS, Khédive d'Égypte,

Sur la proposition de notre Conseil des Ministres et avec l'assentiment des Puissances Signataires de la Convention de Londres du 17 Mars, 1885,

Décrétons :

Article 1^{er}. Le budget des dépenses des chemins de fer, fixé à 45 pour cent de leurs recettes brutes, par l'Article 18 du Décret du 27 Juillet, 1885, pourra exceptionnellement, sur la demande du Gouvernement, et avec le consentement préalable de la Commission de la Dette, être majoré, sans toutefois que les crédits ouverts puissent excéder le 55 pour cent des recettes brutes.

Art. 2. Notre Ministre des Finances est chargé de l'exécution du présent Décret.

Fait au Palais de Montazah, le 13 Safar, 1320 (21 Mai, 1902).

(Signé) ABBAS HILMI.

Par le Khédive :

Le Président du Conseil des Ministres,

(Signé) MOUSTAPHA FEHMY.

Le Ministre des Affaires Étrangères,

(Signé) BOUTROS GHALL.

Le Ministre des Finances,

(Signé) AHMED MAZLOUM.

No. 63.

The Earl of Cromer to the Marquess of Lansdowne.—(Received June 9.)

(No. 80)

My Lord,

Cairo, June 2, 1902.

I HAVE the honour to inclose copies of a Circular and draft Decree which I have received from the Egyptian Minister for Foreign Affairs. The object of the Decree is to enable the octroi duties to be abolished at Cairo and Alexandria.

This measure has been approved by the Caisse de la Dette, but it requires the assent of the Powers.

I have no hesitation in recommending that I should be authorized to signify the assent of His Majesty's Government.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 63.

Boutros Ghali to the Earl of Cromer.(Circulaire.)
Milord,*Ministère des Affaires Étrangères, le Caire,
le 1^{er} Juin, 1902.*

LE Gouvernement de Son Altesse le Khédive a l'intention de comprendre, dans ses prévisions budgétaires pour l'année 1903, l'abolition des droits d'octroi dans les villes du Caire et d'Alexandrie.

Cette mesure serait ainsi le complément naturel de la suppression déjà effectuée de ces mêmes droits dans les provinces, et ferait disparaître entièrement du Budget une taxe dont les défauts sont généralement reconnus.

Cette suppression, devant avoir pour effet de priver la Municipalité d'Alexandrie d'une grande partie de ces ressources, n'est possible qu'à la condition de remplacer les recettes ainsi supprimées par d'autres ressources d'un produit équivalent. A cet effet le Gouvernement de Son Altesse propose d'attribuer à la Commission Municipale de nouveaux revenus qui viendront s'ajouter à ceux qui lui ont été concédés par le Décret du 13 Janvier, 1896, promulgué avec le consentement des Puissances, et qui se trouvera par suite modifié. Ces ressources nouvelles consisteraient dans :—

1. La partie réservée actuellement à l'État, aux termes du Décret du 13 Janvier, 1896, sur le produit de l'impôt du douzième sur la propriété bâtie, dans le périmètre de la ville d'Alexandrie.

2. Le produit, après déduction des frais de perception, des loyers des immeubles libres de l'État dans la dite ville.

En outre, la participation de la Municipalité dans le produit net de la vente des biens libres, limitée actuellement à £ E. 8,000 pour chaque période quinquennale, serait à l'avenir affranchie de toute limitation.

C'est dans cet ordre d'idées que le Gouvernement de Son Altesse a préparé, après entente avec la Commission Municipale d'Alexandrie, le projet de Décret que j'ai l'honneur de vous transmettre ci-inclus, en vous priant de me prêter votre obligeant concours pour obtenir l'assentiment du Gouvernement de Sa Majesté Britannique.

Je crois devoir ajouter, que ce projet a déjà été soumis à la Caisse de la Dette Publique, qui a émis un avis favorable.

Veuillez, &c.
(Signé) BOUTROS GHALI.

Inclosure 2 in No. 63.

Draft of Decree respecting Octroi Duties.

NOUS, Khédive d'Égypte,
Vu le Décret du 30 Avril, 1888 :

Vu le Décret du 6 Juin, 1890 ;

Vu le Décret du 5 Janvier, 1890, instituant la Commission Municipale d'Alexandrie ;

Vu notre Décret du 13 Janvier, 1896 ;

Sur la proposition de notre Ministre des Finances et l'avis conforme de notre Conseil des Ministres et avec l'assentiment des Puissances Signataires de la Convention de Londres du 17 Mars, 1885,

Décrétons :

Article 1^{er}. La perception des droits d'octroi est supprimée, à partir du 1^{er} Janvier, 1903, dans les villes du Caire et d'Alexandrie.

Art. 2. A partir de la même date seront ajoutés aux revenus attribués à la Commission Municipale d'Alexandrie :

1. La part actuellement prélevée au profit de l'État sur le produit de l'impôt du douzième sur la propriété bâtie dans le périmètre de la ville d'Alexandrie.

2. Le produit, après déduction des frais de perception, des loyers des immeubles libres de l'État dans le dit périmètre.

En outre, la disposition du troisième alinéa de l'Article 1^{er} de notre Décret susvisé du 13 Janvier, 1896, fixant à £ E. 8,000 pour chaque période de cinq ans la part maxima attribuée à la Municipalité dans le produit net de la vente des biens libres de l'État dans le même périmètre, est et demeure abrogée.

Art. 3. Nos Ministres des Finances et de l'Intérieur sont chargés, chacun en ce qui le concerne, de l'exécution du présent Décret.

Fait au

No. 64.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received June 9.)

(No. 248.)

My Lord,

Constantinople, June 2, 1902.

WITH reference to my despatch No. 226 of the 19th May, I have the honour to transmit herewith to your Lordship copies of two despatches from the Acting Consul-General at Salonica and Mr. Vice-Consul Pecchioli respectively regarding recent events in Thasos.

I have, &c.
(Signed) N. R. O'CONOR.

Inclosure 1 in No. 64.

Vice-Consul Pecchioli to Consul-General Sir A. Biliotti.

(No. 20.)

M. le Consul-Général,

Cavalla, le 22 Mai, 1902.

RIEN de nouveau regardant l'île aux deux maîtres.

Les habitants de l'île de Thasos criaient pour éloigner le loup ; ils voulaient que le Gouverneur Mahmoud Rifaat Bei fût changé, l'accusant avec un peu de raison d'être arbitraire, d'avoir pris en main tous les pouvoirs, même le judiciaire, et d'avoir des soldats toujours prêts à dégainer, mais quant à changer de Gouvernement, ils n'y pensaient guère. Ils savent que les promesses d'Émin Pacha sont des paroles et que les fonctionnaires Ottomans ne seront pas plus tendres pour eux que les Égyptiens.

Est-ce que la Turquie fera à Thasos tous les travaux que le Vice-Roi avait déjà commencés, du moment que l'île ne donnera aucune rente ? Il est vrai que dans l'île il y a des mines à exploiter ; mais à propos de cela, le Gouvernement de la Sublime Porte et celui de l'Égypte trouveront-ils dorénavant la manière de s'entendre, qu'ils n'ont jamais trouvée jusqu'à présent ?

Les taxes dont les Thasiens ont toujours été exemptés par le Gouverneur d'Égypte ne seront-elles pas petit à petit introduites par les Ottomans ?

Voici les réflexions que se font les Thasiens aujourd'hui. Ils se réjouissent d'être délivrés du Gouverneur terrible, Mahmoud Rifaat, mais ils ne voient pas l'avenir couleur de rose ! Si c'était à recommencer ?

Je vous remets la note la plus exacte que j'ai pu me procurer sur la population de l'île de Thasos. Je crois qu'il faut encore, pour être tout-à-fait dans le vrai, déduire entre 6 et 8 pour cent, de manière que toute la population doit donner le chiffre de 13,000 à 14,000.

Agréez, &c.
(Signé) S. PECCHIOLI.

Inclosure 2 in No. 64.

VILLAGES de l'Île de Thasos et Nombre d'Habitants.

Liména (capitale) ..	..	..	..	..	..	500
Panaghia ..	..	..	..	..	..	2,000
Potamia ..	..	..	..	..	..	900
Theolôgos (deux Mahallé, quartier) ..	..	..	..	..	..	3,000
Chástro (ou Kástro) ..	..	..	..	..	..	1,500
Mariés ..	..	..	..	..	..	1,200
Kakkiraki ..	..	..	..	..	..	1,800
Sottio ..	..	..	..	..	..	300
Kasavít (? Kavamit) (deux Mahallé) ..	..	..	..	..	..	2,000
Bulgáro (deux Mahallé) ..	..	..	..	..	..	1,800
Total ..	..	..	..	..	..	15,000

Dans ce nombre sont compris les soldats Égyptiens, Albanaïs, et Ottomans, et tous les employés Turcs et Arabes.

Inclosure 3 in No. 64.

Acting Consul-General Shipley to Sir N. O'Connor.

(No. 92.)
Sir,

Salonica, June 1, 1902.

I HAVE the honour to transmit to your Excellency herewith copy of a despatch from Mr. Vice-Consul Pecchioli on the state of affairs in Thasos.

M. Pecchioli seems to confirm what was the general opinion here at the time of the disorders, which gave the Ottoman Government its opportunity for intervention, namely, that these disorders were of Emin Pasha's creating and intended to serve as a pretext for subsequent operations.

As I had the honour to telegraph to your Excellency yesterday, Feizi Bey has been appointed Kaïmakam of Thasos, his place at Kilkich being filled by the Kaïmakam of Strumnitza.

Feizi Bey is reputed a Governor of considerable ability and strength of character, and has of late years been employed wherever there was trouble with the Bulgarians—first at Demir-Hissar, then at Ghevgbeli, and lastly at Kilkich.

I have, &c.
(Signed) A. SHIPLEY.

Inclosure 4 in No. 64.

Vice-Consul Pecchioli to Acting Consul-General Shipley.

(No. 22.)

M. le Gérant,

Cavalla, le 29 Mai, 1902.

RIEN de nouveau dans l'île de Thasos. Le nouveau Gouverneur, Emin Pacha, s'occupe d'instituer des Tribunaux, des Conseils dans les villages: il administre, il gouverne. L'ancien Mudir, Mahmoud Rifaat Bei, s'occupe de l'administration du Vacouf, c'est-à-dire de l'encaissement des dîmes. Entre eux, cependant, il y a la muraille de la Chine, et ils ne se font pas même des visites.

On attend à Cavalla aujourd'hui Kairi Pacha, Intendant-Général des Vacoufs de l'Égypte, qui passerait d'ici pour se rendre à Thasos. Un factotum de Thasos, du parti de l'ex-Gouverneur, m'a dit aujourd'hui que les troubles de l'île en Avril "étaient préparés par certaines personnes de Thasos d'accord avec Emin Pacha, Gouverneur de Cavalla, pour provoquer l'intervention du Gouvernement Ottoman." Il m'a dit aussi que l'ex-Gouverneur n'a aucune responsabilité dans les désordres advenus, et qu'il est tout-à-fait faux qu'un vieillard Thasiotte fût tué par ses mains.

Ce petit discours m'a paru intentionnel pour le cas que j'eusse une entrevue avec Kairi Pacha.

Agréé, &c.
(Signé) S. PECCHIOLI.

No. 65.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 112.)

My Lord,

Foreign Office, June 12, 1902.

I HAVE received your Lordship's despatch No. 80 of the 2nd instant, transmitting the draft of a Khedivial Decree for the abolition of the octroi duties at Cairo and Alexandria, for which the assent of the Powers is requested by the Egyptian Government.

You are authorized to inform the Egyptian Minister for Foreign Affairs that His Majesty's Government assent to the proposed Decree.

I am, &c.
(Signed) LANSDOWNE.

No. 66.

Question asked in the House of Commons, June 30, 1902.

Mr. Weir,—To ask the Under-Secretary for Foreign Affairs whether, in view of the fact that Egypt was under British control, he would state why the English language was not used in the international tribunals.

Answer.

The international tribunals were constituted by an Agreement to which fourteen Powers were parties, and no change can be made in the arrangements under that Agreement without the consent of all the Signatory Powers, some of which would have to obtain the assent of their Legislatures. In practice, however, it is understood that little inconvenience is caused by the fact that English is not one of the languages officially sanctioned, and that translations of English documents are rarely required.

No. 67.

Question asked in the House of Commons, July 1, 1902.

Mr. Weir,—To ask the Under-Secretary for Foreign Affairs, seeing that crime was increasing in Egypt, if he would say whether any effort was being made to bring about a modification of the Capitulations and a decrease of crime.

Answer.

The increase of crime reported in Lord Cromer's despatch has occurred amongst the native population, and would not be affected in any material degree by the modification of the Capitulations.

No. 68.

Sir F. Plunkett to the Marquess of Lansdowne.—(Received July 11.)

(No. 181. Most Confidential.)

My Lord,

Vienna, July 12, 1902.

THE inclosed Memorandum respecting Moustafa Kamel Beg, an active worker against British interests in Egypt, has reached me privately from a thoroughly well-informed source, and I hasten to forward it to your Lordship herewith.

I have, &c.
(Signed) F. R. PLUNKETT.

Inclosure in No. 68.

Memorandum.

MOUSTAFKA KAMEL BEG, Directeur propriétaire du journal quotidien Arabe "Al-Lewa," paraissant au Caire, 28 à 33 ans; très intelligent et actif; parle fort bien le Français. A publié en Français, et même dans des journaux Européens, de nombreux Articles—sans compter ses brochures—contre la domination Anglaise en Égypte.

C'est un des principaux facteurs et, si l'on peut dire, la plume du mouvement anti-Anglais, secrètement appuyé par le Khédive, dont Moustafa Kamel est—dans les coulisses—un des amis et confidents. Toutes les fois que le Khédive vient en Europe, Moustafa Kamel se trouve à sa proximité et, sans être ensemble, ils se voient souvent, le soir en général. Il y a deux ans, à Vienne, ils se rencontraient régulièrement dans les allées latérales de "Venedig."

Étant anti-Anglais Moustafa Kamel appuie de toutes ses forces la politique Panislamite du Sultan, aussi est-il très bien en Cour à Yildiz et à la Sublime Porte. Le Sultan lui a donné à différentes reprises des marques de bienveillance: grade, décorations, et même subventions pour son journal. Moustafa Kamel qui est, en Arabe, aussi bon orateur que brillant écrivain, a souvent tenu des conférences en Égypte sur l'Islame, et les grands journaux Anglais, le "Times" en particulier, en ont toujours parlé en détail.

Il est l'ami intime de Loutfi Beg, Consul Ottoman à Budapest, à qui il a apporté le portrait du Khédive, en reconnaissance des services que Loutfi Beg lui avait rendu il y a deux ans à Vienne et à Budapest, lors des négociations assez délicates entre le Sultan et le Khédive, qui mençait, si le Sultan ne voulait pas le recevoir, d'aller faire un tour en Bosnie-Herzégovine.

Moustafa Kamel trouve une certaine analogie entre la situation de l'Autriche-Hongrie en Bosnie-Herzégovine et celle de l'Angleterre en Égypte, ce qui lui dicte aussi son langage à l'égard de l'Administration des provinces occupées.

Moustafa Kamel était à Vienne, il y a une dizaine de jours, mais n'y est demeuré que vingt-quatre heures. Il est parti pour Constantinople sur l'invitation du Khédive, qui s'y trouve aussi, et il sera à Budapest le 8 Juillet. Il ira ensuite passer ses vacances, soit en Suisse, soit sur les bords du Rhin.

Moustafa Kamel jouit dans le monde Musulman de beaucoup de crédit et de considération.

British Embassy, Vienna [undated].

No. 69.

The Marquess of Lansdowne to Mr. de Bunsen.

(No. 231.)

Sir,

Foreign Office, July 16, 1902.

THE Turkish Ambassador told me to-day that the attention of the Turkish Government had been attracted to Lord Cranborne's answer on the 3rd June, to a question in the House of Commons, in which, replying to Mr. J. O'Kelly, he described Egypt as a tributary State of the Turkish Empire in British military occupation.

The Turkish Government thought this description inadequate. The connection of Egypt and Turkey depended upon other considerations as well as the payment of tribute. They would be glad if we could take an opportunity of expanding Lord Cranborne's statement.

I said that Lord Cranborne's answer seemed to me absolutely correct and quite sufficient for the purposes of a Parliamentary reply. We were in the habit of condensing such replies as much as possible. Fifty or sixty questions were often addressed to Ministers in the course of a single evening, and if each of them was to be answered fully and exhaustively no time would be left for the ordinary business of the House.

I am, &c.
(Signed) LANSDOWNE.

No. 70.

Mr. de Bunsen to the Marquess of Lansdowne.—(Received July 21.)

(No. 331.)

My Lord,

Therapia, July 16, 1902.

AS directed by your Lordship's telegram No. 80 of the 14th instant, I informed the Grand Vizier yesterday, through the Minister for Foreign Affairs, that questions of the nature of those which His Majesty's Government are informed that His Highness has addressed to the Acting President of the Egyptian Council, respecting the use in the Soudan of the British flag, should be addressed to His Majesty's Government and not to that of Egypt.

I added that the Egyptian Government had received from His Majesty's Government, under these circumstances, the advice that it would not be necessary to reply directly to His Highness' communication.

I have, &c.
(Signed) M. DE BUNSEN.

No. 71.

Mr. Findlay to the Marquess of Lansdowne.—(Received July 24.)

(No. 69.)

(Telegraphic.) P.

Alexandria, July 24, 1902.

WITH reference to your Lordship's telegram No. 48, and my despatch No. 108 of the 20th instant, I have the honour to state that Mr. Hogg, the officer of the Egyptian coast-guard who was sent to Sollum, has now returned, and reports that he found the Turkish flag had been hoisted on the top of a hill opposite the anchorage, a small post of four men having also been established there. This post appears to be situated on the recognized line of frontier as defined by your Lordship, and the Turkish authorities would seem not to have overstepped their rights in establishing it. Under these circumstances I venture to think that no further action is required on our part, but the vessels of the Egyptian coast-guard will pay occasional visits to Sollum.

No. 72.

Mr. Findlay to the Marquess of Lansdowne.—(Received July 28.)

(No. 107. Confidential.)

My Lord,

Alexandria, July 19, 1902.

A QUARREL has broken out between Photios, the Patriarch of the Orthodox Greek Church in Egypt, and Germanos, one of his Bishops. As it is possible that one or other of the parties concerned may appeal to your Lordship for the support of His Majesty's Government, it may be as well that I should state the main facts of the case.

When the last Patriarch, Sophronios, died, Germanos was Archimandrite of Alexandria, and claimed the right of carrying on the affairs of the Church during the interregnum. His claim was disputed by the "Vicaire" Theofani and a strong party, who finally succeeded—with the support of the Egyptian Government—in calling a General Council, which elected the present Patriarch, Photios.

Germanos was afterwards forgiven for his hostility by Photios, who appointed him Bishop of Minieh with a fixed salary, which is most unusual in the Greek Church. Germanos has apparently continued to oppose and annoy the Patriarch in spite of the benefits conferred on him by the latter, and Photios has now informed the Egyptian Government that, unable to bear the misconduct of Germanos any longer, he is about to depose him, and to pronounce an Ecclesiastical Decree expelling him from the country. The Patriarch further called on the Egyptian Government to assist him to carry out this Decree, appealing to the Firman which governs the constitution of his Church.

It appears that Germanos has a bad record, having been expelled from an ecclesiastical post in Jerusalem previous to his arrival in Egypt. It is evident, however, that it will be inadvisable for the Government to mix itself up in ecclesiastical quarrels, and a precedent having been found for refusing to intervene, they have declined to give their support. As Photios professes to live in fear of personal violence from his recalcitrant Bishop, he has been afforded police protection.

It is hoped that, through the Council of the Church, sufficient pressure may be brought to bear on Germanos to induce him to behave better in future. He appears, however, to be incorrigible.

I have confined myself to urging moderation.

I have, &c.
(Signed) M. DE C. FINDLAY.

No. 73.

Mr. de Bunsen to the Marquess of Lansdowne.—(Received July 29.)

(No. 342.)

My Lord,

Therapia, July 22, 1902.

WITH reference to Sir N. O'Connor's despatch No. 248 of the 2nd ultimo, reporting the appointment of a Kaïmakam for the Island of Thasos, I have now the honour to inform your Lordship that the "Ikdam" of the 17th instant announces the establishment of a Mutessariflik in the island and the appointment of Moussa Kiazim Effendi as Mutessarif.

I have, &c.
(Signed) M. DE BUNSEN.

No. 74.

Question asked in the House of Commons, August 6, 1902.

Mr. Cremer.—To ask whether the Khedive still paid annual tribute to the Sultan in acknowledgment of his sovereignty over Egypt, and, if so, to what amount; and whether any attempt had been or was being made to release Egypt from her position as a Suzerain State and to constitute her a Sovereign Power.

Answer.

The tribute annually payable by the Khedive of Egypt to the Sultan is almost entirely pledged as security for the interest on various Ottoman loans. In the last Egyptian Budget the total sum payable is given as £ E. 665,041, of which £ E. 664,826 is paid as interest on loans. The answer to the last paragraph is in the negative.

No. 75.

Mr. Findlay to the Marquess of Lansdowne.—(Received August 11.)

(No. 113. Confidential.)

My Lord,

Alexandria, August 5, 1902.

WITH reference to previous correspondence on the subject of the dispute between the Khedive and the Sultan concerning the administration of Thasos, I have the honour to report that I hear on good authority that His Imperial Majesty has no intention of allowing the Khedive to recover control of the island.

The Sultan has, however, promised to pay over the net revenue to the Khedivial Wakf. It appears extremely likely that His Majesty may find it convenient to forget this promise to pay, and the Khedive is therefore in danger of suffering, not only in his pride but in his pocket, an exceedingly sensitive spot.

No. 72*.

Mr. Findlay to the Marquess of Lansdowne.—(Received July 28.)

(No. 108. Secret.)

My Lord,

Alexandria, July 20, 1902.

WITH reference to my telegram No. 67, Secret, of the 18th instant, I have the honour to report that information has been received by the Officer Commanding the Western District from Bedouins in confirmation of the statement of some Greek Captains, that "Borg Suleiman" and Sollum were in the occupation of Turkish troops on the 9th instant.

As Sollum is a district, and there is no place of that name, it is possible that these Turkish posts may be at Bardieh, a port north of the anchorage of Sollum, where there is a place marked Bir Isleiman on the chart. They have occupied Bardieh before, but they have, I believe, abandoned it for some years past.

The frontier itself is very vague at this point, but, from such information as I have been able to gather from the Intelligence Department of the Egyptian War Office, it appears to be generally considered to be the Jebel Sollum which begins at the anchorage of Sollum and runs in a south-easterly direction. I have marked this line red on the accompanying sketch map, which is copied from an Admiralty chart of 1864. In this chart the boundary marked is approximately the blue line in the sketch map.

I have talked to Captain Hunter, commanding the Egyptian Coastguards, who knows the district, and he tells me the anchorage of Sollum is a fairly good one with 5 to 10 fathoms of water, and is sheltered from the north and west, but exposed to the east.

According to Captain Hunter, the district of Sollum is not valuable in itself, there being little or no population.

A camel patrol was sent to collect information by the Officer Commanding the Western District on receipt of the report referred to, but, as it seems desirable to ascertain at once exactly where the Turks are and what they are doing, Captain Hunter is sending Mr. Hogg in the Coastguard steam-ship "Abbas" to visit Sollum, and to look in at Bardieh. Mr. Hogg has instructions not to land, and by no means to risk a collision with the Ottoman troops. He expects to return on Wednesday, when I shall have the honour to report to your Lordship the result of his expedition.

It would appear desirable to watch closely Turkish movements in this quarter, as Mr. Alvarez reports in his despatch No. 12 of the 28th June that the Governor of Benghazi, in conversation with him, was inclined to assert, on the authority of "ancient maps," that the Egyptian boundary "ran from a point to the east of Ras-alem-Room in a south-westerly direction." Now this would include Marsa Matroo (see sketch map), the most important point on the Egyptian coast-line west of Alexandria.

Captain Hunter informs me that Marsa Matroo is an excellent harbour, which might be greatly improved by dredging. The district produces barley, and formerly supported a large population. There are also sponge fisheries of some value on the coast.

If the Governor of Benghazi, in spite of his assurances to Mr. Alvarez (which seem to have been somewhat half-heartedly given), is placing posts in the Sollum district, he may have some idea of raising a claim to the frontier-line marked on the "ancient maps" as beginning at Ras-alem-Room. This would appear to be quite inadmissible from the Egyptian point of view.

Unfortunately, the only known copy of the map annexed to the Firman given to Mohammed Ali is at Constantinople. Hence the doubt as to the frontiers of Egypt.

I have, &c.
(Signed) M. DE C. FINDLAY.

Inclosure in No. 72.

Rough Sketch Map of North African Coast from Ras-al-Mulhr to Ras-alem-Room.

[Not printed.]

One or two paragraphs have appeared in the native papers which draw their inspiration from His Highness, threatening the Sultan with British intervention if he does not promptly restore Thasos. No communication has, however, been made to me on the subject, nor does the recent conduct of the Khedive (who is at present travelling with hangers-on of the lowest character and our bitterest opponents) entitle him to hope that His Majesty's Government will show any particular zeal in defending his personal interests.

I have, &c.
(Signed) M. DE C. FINDLAY.

No. 76.

Mr. Findlay to the Marquess of Lansdowne.—(Received September 1.)

(No. 120.)

My Lord,

Cairo, August 25, 1902.

I HAVE the honour to transmit to your Lordship herewith copy of the six-monthly Report addressed to the Regent by the Commissioners of the Caisse de la Dette Publique, and published in the "Official Journal" of the 23rd instant, giving a statement of the situation of the 3 per Cent. Guaranteed Loan.

I have, &c.
(Signed) M. DE C. FINDLAY.

Inclosure in No. 76.

Supplément au "Journal Officiel" du 23 Août, 1902.

CAISSE DE LA DETTE PUBLIQUE.

*Rapport adressé à son Excellence le Régent sur la Situation de l'Emprunt
Garanti 3 pour Cent.*

Excellence,

Alexandrie, le 15 Août, 1902.

D'APRÈS notre dernier Rapport à Son Altesse le Khédive sur la situation de l'Emprunt Garanti 3 pour Cent, le capital de cet emprunt, qui s'élevait au 1^{er} Mars, 1902, à 8,255,700^l., s'est trouvé réduit à 8,211,700^l., par suite de l'amortissement de 11,000^l., figurant à l'État (A) ci-annexé, amortissement effectué tant avec la dotation semestrielle qu'avec les réalisations des immeubles catalogués, laissant un solde disponible de £ E. 39 532 m.

En conséquence, la demi-annuité fixe de 157,500^l. se répartira comme suit le 1^{er} Septembre, 1902 :—

123,220^l. 10s. pour le coupon ;

34,279^l. 10s. pour l'amortissement.

Conformément aux prescriptions du Décret du 27 Juillet, 1885, nous avons l'honneur de présenter à votre Excellence la situation à ce jour des ressources sur lesquelles la dite somme de 157,500^l. (£ E. 153,562 500 m.) doit être prélevée.

Elles s'élèvent à £ E. 1,917,772 448 m., savoir :

1. Excédent au 30 Avril, 1902, £ E. 517,195 195 m. ;
2. Versements opérés depuis le 15 Avril dernier sur les revenus des Chemins de Fer, Télégraphes, et Port d'Alexandrie et sur l'annuité à la charge du Ministère des Finances, en vertu de l'Article 3 du Décret du 6 Juin, 1890, £ E. 313,121 676 m. ;

[1527]

2 N

Versements opérés depuis le 1^{er} Mai sur les recettes des sucres, douanes, tabacs et provinces affectées, £ E. 1,087,152 277 m.

Le surplus de £ E. 1,794,209 948 m., reste disponible pour les échéances des Dettes Privilégiée et Unifiée des 15 Octobre et 1^{er} Novembre.

Seront affectés à l'amortissement du 1^{er} Septembre prochain, conformément aux indications de l'État (B) ci-annexé:—

	£ E.	m.
1. Le reliquat non employé lors de l'amortissement précédent, 407. 10s. 9d...	39	532
2. La portion de la demi-annuité du 1 ^{er} Septembre, 1902, non absorbée par les intérêts, 34,279. 10s. ..	33,422	512
3. Le produit des réalisations diverses figurant au dit État, 15,409. 14s. 6d. ..	15,024	480
Total	48,486	524

soit 49,729. 15s. 3d. sera employé au remboursement de 49,700. d'obligations désignées par le tirage au sort auquel nous avons procédé le 14 Mai, 1902.

Il nous restera un solde en espèces de £ E. 29 024 m. à employer concurremment avec la dotation d'amortissement du prochain semestre.

Nous prions, &c.
Les Commissaires-Directeurs,
(Signé) D. ZEPPA.
CECIL A. SPRING-RICE.

(A.)—ÉTAT des Amortissements effectués pour la Semestrialité du 1^{er} Mars, 1902.

Ressources.	Emploi.				
	£ E.	m.		£ E.	m.
Reliquat non employé lors de l'amortissement précédent	50	389	Amortissement du 1 ^{er} Mars, 1902:		
Portion de la demi-annuité du 1 ^{er} Mars, 1902, non absorbée par les intérêts (33,664 l. 10s.) ..	32,822	887	Remboursement au pair de 11,000 l. de titres sortis au tirage du 3 Décembre, 1901 ..	39,975	0
Réalisation des immeubles catalogués :			Solde disponible ..	39	532
<i>Recettes.</i> —Recouvrements pendant les premier et deuxième trimestres 1901 sur les ventes de 1900 et sur les arriérés dus pour ventes des années antérieures	11,365	136			
<i>Dépenses.</i> —Part mise à la charge des biens catalogués dans les frais de service du bureau des immeubles libres de l'État	7,223	871			

Capital nominal de l'Emprunt Garanti au 1 ^{er} Mars, 1902	£	8,255,700
Obligations amorties		41,000
Capital nominal au 1 ^{er} Septembre, 1902		8,214,700

(B.)—ÉTAT des Sommes à affecter à l'amortissement du 1^{er} Septembre, 1902.

	£ E.	m.
Reliquat non employé lors de l'amortissement précédent (voir État (A)) ..	39	532
Portion de la demi-annuité du 1 ^{er} Septembre, 1902, non absorbée par les intérêts (34,279. 10s.)	33,422	512
Réalisation des immeubles catalogués:		

Recettes.—Recouvrements pendant les troisième et quatrième trimestres 1901 sur les ventes de 1901 et sur les arriérés dus pour ventes des années antérieures 23,174 768

Dépenses.—Part mise à la charge des biens catalogués dans les frais de service du bureau des immeubles libres de l'État 8,350 288

Recouvrements sur les arriérés des droits et taxes dus à fin 1879 ..	200	0
Total	48,486	524

Cette somme est employée au remboursement au pair des obligations sorties au tirage du 14 Mai, 1902, d'un montant nominal de 49,700. soit £ E. 48,457 500 m.
Le reliquat de £ E. 29 024 m. sera compris dans l'amortissement du 1^{er} Mars, 1903.

No. 77.

Mr. Findlay to the Marquess of Lansdowne.—(Received September 1.)

(No. 121.)

My Lord,

Alexandria, August 25, 1902.

I HAVE the honour to inclose herewith a Report on the Nile flood for the week ending the 19th August, which I have received from Mr. Webb, of the Egyptian Irrigation Department.

Your Lordship will observe that this Report is of especial interest owing to the exceptional lowness of the river as compared with the worst recorded floods.

Mr. Webb concludes that Lower Egypt is safe; that Middle Egypt has been saved by the closing of the new barrage at Assiout, which will thus probably pay its cost of £ E. 850,000 in one year; but that in Upper Egypt the position is most serious, and depends on the strength of the rise which is now commencing on the Blue Nile. A comparison with the Returns of Sharaki, or land which could not be irrigated, in former years when the flood was low, but not so low as it now is, is by no means reassuring.

The one satisfactory feature of the situation is the enormous benefit conferred on the country by the new barrages, and the clear demonstration of the advantage gained by their rapid completion.

I have, &c.
(Signed) M. DE C. FINDLAY.

Inclosure in No. 77.

Note on the Nile Flood of 1902—August.

Week ending the 19th.

THE last note gave the situation up to the 12th. The following Table gives a comparison of the same gauges up to the 19th; 1899 was a very low year, 1900 and 1901 were years of good average floods.

TABLE I.

Date.	Khartoum.				Assouan.				Mean of thirty years— 1873-1902.
	1899.	1900.	1901.	1902.	1899.	1900.	1901.	1902.	
13th ..	4.10	6.01	5.56	4.48	P. k.	P. k.	P. k.	P. k.	P. k.
14th ..	4.20	6.10	5.70	1.50	12 2	15 12	13 19	8 23	14 3
15th ..	4.25	6.10	5.85	4.50	12 8	15 15	13 22	9 12	14 9
16th ..	4.45	6.17	5.89	4.48	12 10	15 15	14 2	9 18	11 11
17th ..	4.65	6.27	5.96	4.45	12 3	15 18	14 11	10 0	11 14
18th ..	4.70	6.25	5.96	1.39	12 3	16 0	15 2	10 5	14 17
19th ..	4.95	6.20	5.96	4.50	12 0	16 3	15 11	10 10	14 20
					12 0	16 5	15 19	10 11	15 0

The following Table gives a comparison of the Assouan gauges of this year with those of the three worst years of the past century.

TABLE II.

Date.	Assouan.				Mean of thirty years— 1873-1902.
	1877.	1888.	1899.	1902.	
	P. k.	P. k.	P. k.	P. k.	P. k.
13th ..	11 14	13 8	12 2	8 23	14 3
14th ..	11 20	13 8	12 8	9 12	11 9
15th ..	12 5	13 1	12 10	9 18	14 11
16th ..	12 19	12 20	12 8	10 0	14 14
17th ..	13 0	12 17	12 3	10 5	14 17
18th ..	13 2	12 17	12 0	10 10	14 20
19th ..	13 7	12 19	12 0	10 14	15 0

The areas of Sharaki were as follows:—

	1877	1888	1892	Feddans.
1877	..	..	..	901,000
1888	..	..	..	290,000
1892	..	..	..	221,000

At Khartoum.—It will be seen from Table I that the Khartoum gauge has been practically steady throughout the week, and now stands 45 centim. below that of 1899, and 1.70 and 1.46 metres respectively below those of 1900 and 1901. A rise has now commenced due to reported rains from Rosaries and Sennaar; the final nature of the flood must depend on the strength of this rise. Unless the rise at Khartoum within the next week or ten days is very rapid and strong, the flood must inevitably be extremely low, and probably the lowest ever recorded. Whatever the rise may be it is feared that a low flood must result, as it seems almost impossible for the present low gauges to rise to those of an ordinary year.

At Assouan.—Table II shows that the gauge at Assouan is the worst ever recorded. Further comment is unnecessary: the Table speaks for itself.

The present Situation.

Lower Egypt.—Owing to the Delta barrages the situation is good. Rotations are still necessary in the second circle, but with the supply now passing into the canals they are not severe, and it has been found possible to relax them in the case of rice irrigation.

Middle Egypt.—The situation in the Sefi tracts dependent on the Ibrahimiyah Canal, and in the newly converted basins of the Assiout and Minia provinces, was

certainly becoming very serious, until the Director-General of Reservoirs was instructed to close the Assiout barrage, which he successfully did under his own personal supervision on the 15th. This barrage is now doing splendid work, having raised the level in the Ibrahimiyah Canal 1.50 metres. It has undoubtedly saved the situation in Middle Egypt, and will go a long way towards paying for its original cost of £ E. 850,000 in the present year. It is probably the first time that a barrage of this description has been fully closed down during a flood in any river in the world. East Gizeh will probably be almost all "Sharaki."

Upper Egypt.—Water entered most of the basin canals between the 12th and 15th, but in such small volume that practically no irrigation has been effected. With the present low levels the situation in the Provinces of Kench and Girga is most serious, and unless the rise now taking place on the Blue Nile is exceptionally strong, a very large area must inevitably remain unirrigated. All possible measures will be taken to diminish the area of "Sharaki," but, unless there is water to manipulate, very little can be done. In such a flood the situation could only be saved by the construction of two barrages, similar to the new Assiout barrage, in the Esneh and Kench districts.

Conclusion.

In Lower Egypt there is no cause whatever for anxiety. In Middle Egypt the Assiout barrage has saved the situation. In Upper Egypt the position is most serious. Whether the flood will eventually be extremely low or only low depends on the strength of the rise now commencing on the Blue Nile.

(Signed) A. S. WEBB.

August 20, 1902.

No. 78.

Mr. Findlay to the Marquess of Lansdowne.—(Received September 5.)

(No. 73. Confidential.)

(Telegraphic.) P.

Alexandria, September 5, 1902.

I HAVE received confidential information, from a trustworthy source, to the effect that M. Barois, at present French Member of the Board of Administration of the Egyptian State Railways, will succeed M. Louis as French Commissioner of the Public Debt. Your Lordship is doubtless aware that M. Cogordan is to be succeeded, as French Agent in Egypt, by M. Laboulinière.

No. 79.

Mr. Findlay to the Marquess of Lansdowne.—(Received September 12.)

(No. 75. Confidential.)

(Telegraphic.) P.

Alexandria, September 12, 1902.

WITH reference to my telegram No. 73, I hear that M. Benoît, the former Acting French Resident in Tunis, will probably be the new French Commissioner on the Caisse de la Dette.

Mr. Findlay to the Marquess of Lansdowne.—(Received September 22.)

(No. 135.)

My Lord,

Alexandria, September 14, 1902.

I HAVE the honour to inclose herewith a Report which I have received from Mr. Webb, Acting Head of the Irrigation Department, on the subject of the Nile flood.

Your Lordship will observe that some improvement has taken place; that the Assiout Barrage is continuing to do splendid work; and that, on the whole, this year's flood will probably resemble that of 1899.

I have, &c.
(Signed) M. DE C. FINDLAY.

Inclosure in No. 80.

Note on the Nile Flood of September 1902, week ending the 9th.

THE last note gave the situation up to the 2nd. The following Table gives a comparison of the Khartoum and Assouan gauges for the present year and the three previous years. In 1899 the flood was very low; 1900 and 1901 were years of good average flood.

TABLE I.

Date.	Khartoum.				Assouan.				
	1899.	1900.	1901.	1902.	1899.	1900.	1901.	1902.	Mean of 30 years.
September 3 ..	4.93	5.16	6.05	5.23	p. k. 13 20	p. k. 15 14	p. k. 15 8	p. k. 12 20	p. k. 16 0
" 4 ..	4.93	5.13	6.08	5.27	13 22	15 8	15 16	12 20	16 1
" 5 ..	4.86	5.08	6.08	5.27	13 20	15 2	15 22	13 1	16 2
" 6 ..	4.78	5.10	5.94	5.27	13 18	15 0	16 1	13 9	16 1
" 7 ..	4.70	5.31	5.88	5.28	13 15	14 22	16 1	13 12	16 1
" 8 ..	4.75	5.35	5.91	5.33	13 13	14 17	15 22	13 12	16 0
" 9 ..	4.82	5.39	5.95	5.40	13 9	14 12	15 21	13 10	16 0

The following Table gives a comparison of the Assouan gauges of this year with those of the three worst years of the past century.

TABLE II.

Date.	Assouan.				
	1877.	1888.	1899.	1902.	Mean of 30 years, 1873-1902.
September 3 ..	p. k. 13 3	p. k. 14 8	p. k. 13 20	p. k. 12 20	p. k. 16 0
" 4 ..	13 4	14 9	13 22	12 20	16 1
" 5 ..	13 1	14 8	13 20	13 1	16 2
" 6 ..	13 1	14 8	13 18	13 9	16 1
" 7 ..	13 2	14 10	13 15	13 12	16 1
" 8 ..	13 0	14 12	13 13	13 12	16 0
" 9 ..	12 21	14 13	13 9	13 10	16 0

The areas of Shauaki were as follows:—

In 1877	..	..	..	..	..	Faddans, 901,000
In 1888	..	..	..	..	..	290,000
In 1899	..	..	..	..	..	221,900

No. 80*.

The Earl of Cromer to the Marquess of Lansdowne.—(Received September 28.)

(No. 76.)
(Telegraphic.)

Cairo, September 28, 1902.

IT would be convenient if the War Office would communicate to us soon the decisions of the Commission which sat to consider conditions under which British officers are for the future to serve in the Egyptian army.

At Khartoum.—As anticipated, there has been little improvement on the levels of the previous week, and the maximum of 5'40 has now probably been reached. The levels, however, have been fairly constant, which is the most satisfactory feature of the whole flood, and has certainly considerably improved the situation. The flood will be very low, very much like 1899, but several days later.

At Assouan.—The levels have now improved, but the maximum will probably just fall short of 14 pics. Here, again, the continuous levels, which must naturally follow those of Khartoum, will greatly benefit the basin irrigation and be of immense use to the dhurra crops later on. This is the one encouraging fact throughout the flood, and may help to decrease the large area of Sharaki, which must in any case occur.

The Atbara, which has completely failed throughout the flood, has given a little water during the past two days, causing a rise of 15 cents. at Berber.

The Present Situation.

Lower Egypt.—Good. The Delta barrages are still being regulated on, and are doing excellent work; the head is now a little over 1 metre, which, at this stage of the flood, is most unusual.

Middle Egypt.—The basin irrigation is backward, but there is no cause for anxiety.

The Assiout Barrage is still fully closed, the head being 1'30 metres. With the larger volume passing, the action on the down stream has increased, but the work is standing well and rendering excellent service.

Upper Egypt.—Owing to the better levels at Assouan, there has been an improvement in the basin irrigation, which there is reason to think will continue. The situation is less grave than before, but still bad, and a large area must remain unirrigated. In East Ghizeh the situation has also improved, but is still bad; West Ghizeh will be saved by the Assiout Barrage and the Sohagiyeh Canal.

Conclusion.

The continuous levels in the White and Blue Niles and the slight rise in the Atbara have improved the situation. The maximum gauges are now nearly reached, and a fall may be anticipated. The flood will be very low, and a large area will be left unirrigated, though less than was anticipated up to the last week.

(Signed) A. L. WEBB,
Acting Under-Secretary of State.

Cairo, September 10, 1902.

No. 81.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received September 29.)

(No. 416.)

My Lord,

Thrapia, September 21, 1902.

I HAVE the honour to report that the Khedive arrived in Constantinople yesterday by Orient Express from Divonne. He was received at the station by Marshal Shakir Pasha, Head of the Sultan's military household, and at once proceeded to Yildiz Kiosk, where he was entertained at luncheon by His Majesty.

I deputed Mr. Fitzmaurice, Acting First Dragoman, to present, in the customary manner, my respects to His Highness on his arrival.

I have, &c.
(Signed) N. R. O'CONOR.

No. 82.

The Earl of Cromer to the Marquess of Lansdowne.—(Received October 16.)

(No. 79.)

(Telegraphic.) P.

Cairo, October 16, 1902.

I HAVE to-day sent the following telegram to His Majesty's Ambassador at Constantinople:—

"Confidential.

"The Khedive, who has just returned, appears to be highly dissatisfied at the treatment he has received from the Sultan. I gather from information which has reached me from various sources that it is possible that His Highness may before long make representations to me with the object of obtaining British intervention in connection with the affairs of Thasos. Would your Excellency inform me whether, from the point of view of the situation at Constantinople, you entertain any special opinion as to the line of action which it would be advisable to adopt in this contingency?

"I have repeated this telegram to the Marquess of Lansdowne."

No. 83.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 54.)

(Telegraphic.) P.

Foreign Office, October 17, 1902.

I HAVE received your Lordship's telegram, No. 76, of the 28th instant, relative to the conditions for the employment of officers in the Egyptian army, and I have pressed the War Office for a decision.

The question has been under consideration by a Committee. A Report has been submitted to the Secretary of State for War, and to the Commander-in-chief, and the Treasury is now being consulted.

The result should be known shortly and I will communicate it to you.

No. 84.

Sir N. O'Connor to the Marquess of Lansdowne.—(Received October 27.)

(No. 467.)

My Lord,

Therapia, October 21, 1902.

I HAVE found it difficult to answer Lord Cromer's Confidential telegram of the 16th instant respecting Thasos, which he was good enough to repeat to me, in the compass of a reasonable telegram, and as the matter is not very urgent, I beg to be allowed to do so by the King's messenger who is leaving to-morrow.

Previous to the Khedive's departure from Constantinople on the 9th instant, His Highness spoke to me of his difficulties in connection with Thasos. He said that he had desired to discuss the question with the Sultan, but that His Majesty had found an excuse for putting off every appointment made with this object, and, in fact, had only received him after a religious ceremony, when he was sure business would not be discussed.

His Highness said that he had come here principally in the hope of settling this and a minor matter connected with the appointment of a new Turkish Agent (Kapon Kehaia), but that he was forced to leave without having succeeded with either.

His Highness considered that the Firmans granting the Island of Thasos as a "Vakouf" to his ancestor, Mehemet Ali, had conferred upon him the practical proprietorship, although not the absolute sovereignty, of the island, that the Administration, Tribunals, Customs, and gendarmerie, &c., had been carried on by Egyptian officials till within a short time ago, and that the Firman or title-deeds, which, unfortunately, had been burned in a conflagration at Cairo, confirmed this ownership, which was, moreover, strengthened by ninety-five years full enjoyment of the rights and privileges now claimed by him. All he asked was that the matter should be carefully examined on both sides, and that if his

claim was not well-founded, it should be disproved by the production of the original documents and other proofs. Instead, however, of complying with his request, the Sultan had suddenly and arbitrarily, on the spurious plea of some local disturbances got up by the Mutessarif of Kavalla, on the mainland close by, dispossessed the Egyptian functionaries and gendarmes, seized the Customs and public offices, and announced that the administration of the island was taken over by the Imperial Government. He had retained his police, but they had lost their authority, and even his private factories and telephone-lines had been interfered with, and the materials of the latter seized for the construction of houses for the Turkish officials. His Highness said that he had sent a message to the Sultan, through His Majesty's First Secretary, that he was anxious to discuss the matter amicably, but that as he would not allow him to do so, it only remained for him to settle the question in some other way.

His Highness added that he was giving me these details merely "à titre d'information," but he did not ask for any advice, nor did I offer any beyond saying that I thought he was well advised in continuing to retain his gendarmes in the island, as it was not unlikely that the inhabitants would in time resent the exactions and misdeeds of the Turkish functionaries and gendarmes, whose salaries were sure to fall into arrear, and who would endeavour to recover them by mulcting the people.

How far the Khedive's claims and pretensions are justified by Firmans and documents I am, of course, unable to give an opinion. At the same time, there can be little doubt that the action of the Sultan has been thoroughly arbitrary, that he has made up his mind to deprive His Highness of his administrative and proprietary rights on the strength of his sovereignty, and to leave him nothing beyond the produce of a scanty "Vakouf." A "Vakouf" is, unfortunately for His Highness, a religious endowment peculiar to Mussulmans, and dependent in a certain degree upon the will and good pleasure of the Caliph. Therefore, any foreign interference with its statutes and limitations and exercise will probably be resented by the Sultan more than if it were a purely secular question. On the other hand, it is certain that if the Khedive does not succeed in obtaining outside support, he will, without further inquiries or formalities, be deprived of all those privileges which his House has now enjoyed quietly for nearly 100 years, and to which His Highness evidently attaches great importance as an interesting and personal inheritance from his ancestors.

His Highness spoke with great bitterness of the scant courtesy shown to him by His Majesty during his visit, and, I understand, he also enlarged upon his grievances with the Russian Ambassador, who called upon him, in company with M. Maximow, on the eve of his departure for Egypt.

I see in the papers that the laying of the foundation stone of the barracks destined for the Turkish garrison of the island took place on the 12th instant, and that a Commercial Tribunal has been constituted under the temporary Presidency of the Correctional Court.

I also hear that several mining engineers have lately been sent by the Palace to report on the mining capabilities of the island, and it is possible that, if the reports prove satisfactory, the Sultan may grant a mining Concession to some foreign subject whose Government will be interested in protecting his interests as against the Khedive.

In conclusion, I beg to say that if His Majesty's Government make up their mind that, for political and other reasons, it is expedient not to refuse an appeal for assistance which they may receive from the Khedive, I see no particular objection to informing the Sublime Porte that His Majesty's Government cannot be indifferent to any arbitrary and unjust action which would deprive His Highness of his legal and prescriptive rights over the island as consecrated by their enjoyment during nearly a century.

The matter has gone so far that it may, and possibly will, not produce any very definite result, but at any rate it will be a sort of caveat, which will steady the Sultan's ambition, or, more probably, the pecuniary greed of the Palace satellites who have, doubtless, urged His Majesty to his present course. It will also, in a certain degree, establish an Egyptian lien over the island, whatever may be the immediate consequences.

It is needless to say that the interference of His Majesty's Government in the question will be particularly disagreeable to the Sultan.

I have, &c.
(Signed) N. R. O'CONOR.

No. 85.

The Marquess of Lansdowne to the Earl of Cromer.

(No. 57.)

(Telegraphic.) P.

Foreign Office, October 30, 1902.

I HAVE received your Lordship's telegram No. 79 of the 16th instant, relative to Thasos.

A despatch from Sir N. O'Connor, No. 467 of the 21st October, containing his comments on the subject, will be forwarded to you by bag to-morrow.

It will be better that you should not volunteer advice if the Khedive does not refer to the question.

In the event, however, of His Highness asking for the good offices of His Majesty's Government, I see no objection to your telling him that they are ready to urge the Sultan to accord a full inquiry into the extent of the Khedive's rights over the island, and to desist from measures of expropriation until the conclusion of such an inquiry.

No. 86.

The Earl of Cromer to the Marquess of Lansdowne.—(Received November 24.)

(No. 156.)

My Lord,

Cairo, November 13, 1902.

I HAVE the honour to report that M. Bellet, a French Judge, who was President of the Mixed Court of Appeal, has resigned. The circumstances under which two French Judges sat on the Court of Appeal, whilst all the other Great Powers have been only represented by a single Judge, gave rise to a lengthy correspondence in the years 1886-1889. I need only refer your Lordship to a letter addressed by the French Consul-General to the Minister for Foreign Affairs, on the 25th January, 1889, a copy of which is herewith inclosed. In this letter, the French Government definitely renounced any right to require that, on M. Bellet's retirement, another French Judge should be named in his place.

Some other Judge, however, must be appointed, as the work of the Courts necessitates the adoption of this measure. The Egyptian Government hold, quite rightly, as I venture to think, that the selection rests with them. Their only object is to secure the best man. A letter has, therefore, been written to the President of the Mixed Courts, asking him and his colleagues to suggest some Judge, now in the Court of First Instance, for promotion to the Court of Appeal.

The only condition laid down is that the individual chosen must be of a nationality not already represented on the Court of Appeal. The German Consul-General is anxious to secure the nomination of a second German Judge, and, having failed in this attempt, is disposed to challenge the right of the Egyptian Government to make the selection without consultation with the Powers. This view I believe to be quite untenable. I inclose Mr. Mellwraith's opinion on the point at issue. I doubt whether the German Government will address your Lordship on the subject.

Should they do so, I venture to think that the action of the Egyptian Government should be strongly supported, not only because, generally, it is desirable to resist encroachments by the Powers on the attributes of the Egyptian Government as defined by law, but also because it is most objectionable that any Power should be represented by more than one Judge on the Court of Appeal. If any Power secures a double representation, it should be Great Britain.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 86.

M. d'Aubigny to Zulfikar Pasha.

*Agence et Consulat-Général de France en Égypte,
le Caire, le 25 Janvier, 1889.*

M. le Ministre,

LE Gouvernement de la République, désireux d'arriver à une entente pour le renouvellement de la période des Tribunaux de la Réforme et de choisir un terrain de

conciliation pour faciliter cette entente, me charge de proposer à votre Excellence un arrangement dans les termes suivants:—

"Le Gouvernement Français reconnaît le principe d'égalité de représentation de toutes les Grandes Puissances dans les Tribunaux Mixtes.

"M. Bellet restera en fonctions à titre personnel et le Gouvernement de la République ne revendiquera pas l'obtention de son siège tant que ce principe sera observé

"Le Gouvernement Français ne réclamera l'exercice du droit que lui donne la Convention du 25 Septembre, 1874, d'avoir un représentant du Ministère Public que quand la réorganisation du Parquet aura été accomplie par voie d'accord international.

"Le Gouvernement Français aura droit le 1^{er} Février, prochain à un Conseiller titulaire nommé en vertu de l'Article V du Règlement d'Organisation Judiciaire."

J'ai l'espoir que le Gouvernement Khédivial, animé d'un esprit de conciliation, voudra bien accepter cet arrangement, et je prie votre Excellence de vouloir bien me faire connaître, le plus tôt possible, la résolution qui aura été prise à ce sujet.

Dès que j'aurai obtenu l'Agrément du Gouvernement Khédivial, j'adhérerai sans retard à l'Annexe (D) et à la prolongation pour cinq ans des Tribunaux de la Réforme.

Veillez, &c.
(Signé) L. D'AUBIGNY.

Inclosure 2 in No. 86.

Opinion by Mr. Mellwraith as to the selection of Judges on the Egyptian Mixed Court of Appeal.

THE legal aspect of this matter appears to me to be as follows:—

Article 3 of the Statute of Judicial Organization for mixed suits in Egypt, definitely approved by the Powers after long negotiations and several International Commissions, provides: "There shall be at Alexandria a Court of Appeal composed of eleven Judges, of whom four shall be Egyptians and seven foreigners."

Article 5 regulates the manner in which they are to be appointed, and provides: "The appointment and choice of the Judges shall rest with the Egyptian Government; but, in order to obtain a satisfactory guarantee of the qualifications of the persons whom it shall choose, the Egyptian Government shall communicate unofficially with the Ministers of Justice abroad, and shall only appoint persons who have obtained the assent and authorization of their own Government."

Therefore, as far as the terms of this Statute are concerned, the Egyptian Government would appear to be perfectly free to compose the Mixed Court of Appeal and Tribunals of such foreign Magistrates as it might choose to appoint, subject only to the reservation stated as to the necessity of insuring the requisite guarantees concerning the capacity and morality of the Judges to be appointed. This conclusion would, however, be erroneous, for in the course of the negotiations a certain number of Powers made their acceptance conditional on the Egyptian Government undertaking to appoint one of their subjects as a Judge and another as a Substitut of the Procureur-Général. As regards the Court of Appeal, the question was raised for the first time by Italy.

On the 24th February, 1875, Nubar Pasha wrote to Count Barbolani, the Italian Minister: ". . . N'ayant donc sur ce point aucun engagement, Son Altesse, néanmoins, mon cher Comte, trouvera toute naturelle, la question que votre Excellence me fait l'honneur de m'adresser. Je n'ai donc aucune difficulté, et je suis autorisé par Son Altesse à faire connaître sur ce point les intentions formelles de Son Altesse qui sont de composer les Tribunaux de Première Instance de Magistrats choisis, dans les formes indiquées dans le projet, parmi les Magistrats des petites Puissances du Nord et d'engager pour la Cour d'Appel un Magistrat dans chacun des pays qui ont pris part à la Commission Internationale du Caire . . ."

On the 1st March, 1875, Count Barbolani took formal note of these declarations and added: ". . . Mon Gouvernement m'ordonne de remercier Son Altesse le Khédivé des déclarations contenues dans votre lettre du 24 Février dernier; car dans la pensée du Cabinet de Rome, ces déclarations complètent les conditions essentielles qui l'ont décidé à accepter le projet de la Réforme Judiciaire."

The Egyptian Government became, therefore, formally bound to choose one "Conseiller" from the subjects of each of the Powers represented at the Cairo International Commission. These Powers were seven in number (America, Austria,

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France, Great Britain, Germany, Italy, and Russia), and since the number of the foreign Conseillers of the Court of Appeal had been fixed by Article 3 above quoted at seven, the Court thus became composed exclusively of Judges belonging to the Great Powers.

It was never, however, intended that there should be no power to increase this number, if necessary. On the contrary, Article 4 of the Statute expressly provided: "The number of the Judges of the Court of Appeal, and of the Tribunals of First Instance, may be increased if the Court of Appeal declares an increase necessary for the due administration of justice, provided that no alteration is made in the fixed proportion of Egyptian to foreign Judges." The Egyptian Government is, therefore, free to increase the number of the foreign "Conseillers," with the assent of the Court, on the sole condition that the proportion between the foreign and native Judges shall not be affected. The Government is not obliged to choose such new Magistrates from any particular Power, and it would be impossible to invoke any diplomatic agreement or arrangement, whether collective or individual, susceptible of being interpreted as having made the Court of Appeal the exclusive domain, as it were, of Judges belonging to the Great Powers.

There have already been several applications of Article 4 of the Statute. Thus, in 1884 the Government appointed, with the assent of the Court, MM. Bellet and Antoniadis. It is true that M. Bellet was a Frenchman, but he was not appointed in that capacity, but simply as an individual, precisely in the same way as M. Antoniadis, a Greek Judge, not, therefore, a subject of one of the Great Powers.

More recently, in 1900, the Government and the Court agreed to create a further post for a foreign "Conseiller," and this post was given to M. Vercamer, a Belgian Magistrate.

It may, however, be objected that in two instances the Egyptian Government has had recourse to the Powers in order to modify the composition of the Court. That may be admitted. In 1890, as the result of a Technical International Commission, the Government submitted to the Powers a draft Decree modifying Article 3 of the Statute above referred to, and which provided as follows: "There shall be at Alexandria a Court of Appeal consisting of thirteen Judges, four natives and nine foreigners, of whom eight shall belong to the nationality of one of the following Powers: Germany, Austria, France, America, Great Britain, Greece, Italy, and Russia;" and by a further Circular of 1900 the Ministry of Foreign Affairs again submitted to the Powers the same project, with some minor modifications.

The object of this Decree was twofold. In the first place, whilst preserving the privileged situation attained by the Great Powers, to confer upon Greece, by reason of the large number of Greeks in Egypt, the right to stand upon the same footing as the Great Powers, and, in the second place, to create the post of a "Conseiller Collectif" for the small Powers, unrepresented in the Court. In other words, the normal and obligatory composition of the Court would have been modified, but the right of the Government, with the assent of the Court, to make fresh nominations, "à titre personnel," remained unaffected.

No special importance, need, however, be attached to this project, since it did not obtain the assent of all the Powers, and was accordingly never promulgated.

I am consequently of opinion that whilst the Egyptian Government is obliged, under the engagements it has undertaken towards the Powers, to always maintain in the Court of Appeal one "Conseiller" belonging to each of the Great Powers, its right, under Article 4, to create, with the assent of the Court, and for the necessities of the judicial service, new posts, has never been in any way alienated or curtailed, and it is under no legal obligation to any Power, or to all of them, to choose its nominees for such posts from any particular nationality.

(Signed) MALCOLM McILWRAITH.

Cairo, November 12, 1902.

No. 87.

The Earl of Cromer to the Marquess of Lansdowne.—(Received December 8.)

(No. 165.)

My Lord,

Cairo, November 29, 1902.

WITH reference to my despatch No. 156 of the 13th instant, I have now the honour to forward a copy of a correspondence between the Egyptian Government and the Court of Appeal at Alexandria.

Your Lordship will observe that the Government asked the Court to suggest "two or three Judges" now serving in the lower Tribunals, from whom a selection might be made to fill the place on the Court of Appeal left vacant by the resignation of M. Bellet.

The Court replied by sending in one name only, that of M. Larcher, a Portuguese. M. Larcher will accordingly be nominated.

I fear that the selection will give umbrage to the Spanish Government, who, as your Lordship is aware, have for long wished to be represented on the Court of Appeal. This is much to be regretted, but I see no means by which it could have been avoided.

If, as I had rather hoped, the Court had put forward two names, of which one Spanish, the Spaniard might have been selected. As, however, they did not adopt this course, the selection of M. Larcher became inevitable. From all I hear, I have no doubt that, from the point of view of efficiency, M. Larcher is the best amongst the candidates available for selection.

I would suggest that a copy of this despatch be sent to Madrid.

I have, &c.
(Signed) CROMER.

Inclosure 1 in No. 87.

M. Korizmic to Ibrahim Fouad Pasha.

M. le Ministre,

Cour d'Appel Mixte, Alexandrie, le 3 Novembre, 1902.

LA détermination que M. le Président Bellet a prise de résigner ses fonctions de Conseiller près la Cour d'Appel, a placé celle-ci dans une situation difficile, en la privant, du jour au lendemain, du concours d'un Magistrat qui, par sa précieuse collaboration et ses hautes connaissances juridiques, a contribué pendant tant d'années à assurer la bonne marche du service et à accélérer l'expédition des affaires.

Je crois superflu de devoir insister sur la part que M. Bellet a prise à nos travaux et sur les services qu'il a rendus à l'institution de la réforme à laquelle il a, pendant vingt-cinq ans, consacré toutes ses forces et toute son activité.

Si, précisément en raison de ses qualités exceptionnelles, ce n'est point une tâche facile de donner un successeur d'égal mérite à M. Bellet, il n'est que plus nécessaire et urgent de porter le nombre des Magistrats étrangers de la Cour au nombre de dix, qu'ils comptaient sous sa présidence.

En effet, la création d'un dixième poste de Conseiller décrétée en 1895, en permettant à la Cour d'affecter cinq Magistrats étrangers à chaque Chambre, l'a mise en mesure de mieux organiser le service, de former deux Chambres parfaitement distinctes, de mettre un terme aux inconvénients résultant du roulement des Magistrats, et de tenir chaque Mardi une troisième audience, desservie alternativement par la Première et la Deuxième Chambre.

La tenue de cette audience supplémentaire a permis à la Cour d'activer la solution des affaires.

Sans qu'il soit nécessaire de remonter plus haut, dans les trois années qui ont précédé l'année judiciaire 1895-96, la Cour ne jugeait en moyenne que 520 affaires par an.

Depuis qu'elle siège le Mardi, d'une manière assidue, le nombre des affaires jugées a de beaucoup augmenté.

La statistique accuse en effet pour les six avant-dernières années judiciaires une moyenne de 633 affaires, et pendant l'année qui vient d'expirer, la Cour en a jugé 760.

La Cour est donc d'avis qu'en raison des exigences du service, le nombre des dix Conseillers étrangers devrait être maintenu; autrement elle se verrait dans la nécessité, au grand préjudice des intérêts des justiciables, de supprimer l'audience du Mardi.

Eu égard aux considérations qui précèdent, la Cour, aux termes de la délibération prise dans son assemblée générale du Samedi dernier, considère comme un devoir de signaler au Gouvernement de Son Altesse, en conformité de l'Article 4 du Titre I du Règlement d'Organisation Judiciaire, la nécessité de combler le vide qui vient de se produire dans son sein, et de nommer, en remplacement de M. Bellet, un nouveau

Conseiller, remplissant les conditions de capacité voulues, afin qu'elle puisse efficacement compter sur son concours et continuer à rendre la justice dans les mêmes conditions et avec les mêmes éléments que par le passé.

Veillez, &c.
Le Vice-Président de la Cour,
(Signé) A. KORIZMICS.

Inclosure 2 in No. 87.

Ibrahim Fouad Pasha to M. Korizemics.

M. le Vice-Président,

*Ministère de la Justice, le Caire,
le 13 Novembre, 1902.*

J'AI l'honneur de vous informer que le Gouvernement, appréciant à leur juste valeur les considérations exposées par votre rapport du 3 courant, a décidé le remplacement de M. Bellet.

Désirant que le nouveau Conseiller soit à même, par la connaissance du pays et de la législation Égyptienne, de prêter à la Magistrature Mixte un concours utile, le Gouvernement réserve le poste à un des Juges des Tribunaux Mixtes de Première Instance.

Pour plus de garanties, quant au choix qu'il a à faire, il croit devoir s'éclairer de l'avis de la Cour d'Appel Mixte à ce sujet.

J'ai, en conséquence, l'honneur de vous prier, M. le Vice-Président, de vouloir bien demander à la Cour de nous indiquer deux ou trois Juges de Première Instance lui paraissant le plus dignes de la promotion, et appartenant à une nationalité autre que celles des Conseillers qui composent actuellement la Cour.

Veillez, &c.
Le Ministre,
(Signé) IBRAHIM FOUAD.

Inclosure 3 in No. 87.

M. Korizemics to Ibrahim Fouad Pasha.

M. le Ministre,

Cour d'Appel Mixte, Alexandrie, le 26 Novembre, 1902.

EN réponse à la lettre que votre Excellence a bien voulu m'adresser le 13 courant, j'ai l'honneur de porter à sa connaissance que j'ai saisi la Cour de la question relative au choix du Magistrat appelé à occuper le siège devenu vacant par la retraite de M. le Conseiller Bellet.

La Cour, après délibération, a en premier lieu désigné M. Larcher, Juge au Tribunal d'Alexandrie, qui, par ses services, son expérience, et son ancienneté, réunit, à son avis, le plus de titres à l'avancement qu'il s'agit de décider.

Pour ce qui est de la présentation d'un ou de deux autres Magistrats, j'ai le regret d'informer votre Excellence que la Cour, sans méconnaître les mérites des autres Magistrats, n'a pas pu, en vue d'une égalité parfaite des droits, se mettre d'accord sur la désignation d'un autre candidat.

Veillez, &c.
Le Vice-Président de la Cour,
(Signé) A. KORIZMICS.